

CLUBFINANCE FREQUENT TRADER SERVICE TERMS OF BUSINESS_{v6}

1 The purpose of this document

- 1.1 This document describes the services provided, how you will pay for them, and the Terms and Conditions that apply to your use of the Clubfinance Frequent Trader Service. It also sets out your responsibilities and other relevant information.
- 1.2 This document, together with the relevant application form(s) and/or online application(s), and other documents referred to in this document make up the Agreement between Clubfinance Ltd and you in relation to the Clubfinance Frequent Trader Service. If you apply for some additional services (e.g. a SIPP) additional Terms and Conditions will apply in relation to that additional service – this will be made clear on the relevant application form. You should keep copies of all these documents in a safe place.
- 1.3 These are our standard Terms and Conditions for the Service, upon which we intend to rely. For your own benefit and protection, you should read this document carefully before you submit your application to join the Frequent Trader Service or complete any additional application forms. These Terms and Conditions will apply once we receive and have accepted your application.
- 1.4 Some key words relevant to these Terms and Conditions are explained below.

Clubfinance, we, us	Clubfinance Ltd. See the footer at the bottom of this page for our address and contact details.
Business Day	A day, other than a Saturday or Sunday, on which clearing banks and the London Stock Exchange are open for business in England.
Cash Settlement Account	An interest-bearing account (although the interest rate could be 0%), forming an integral part of one of your accounts (e.g. General Account, ISA)
Consequential Loss	Any financial loss, including but not limited to the loss of profits, turnover and anticipated profits; the loss of any goodwill; any loss or damage relating to any property or equipment; any additional expenditure you incur.
Financial Conduct Authority (FCA)	The FCA or any other body which may in future have regulatory control in the United Kingdom, or a body which carries out its duties on its behalf. The FCA is the UK Financial Services Regulator. They can be contacted at: 25 The North Colonnade, Canary Wharf, London E14 5HS.
James Brearley, Service provider	James Brearley & Sons Limited or a company owned or controlled by them. Head Office: Walpole House, Unit 2, Burton Road, Blackpool FY4 4NW.
Order	An Order is placed as part of the dealing process to buy or sell an investment, usually following receipt of an instruction to buy or sell investments from you.
Service	The services comprising the Clubfinance Frequent Trader Service provided by James Brearley, including the 'Online Service' and the 'Nominee Service'.
you, your, yours, yourself, client	The individual, joint account holder or entity named in the application to join the Frequent Trader Service and to whom the Service is provided under these Terms and Conditions.

- 1.5 If you have any questions about or do not understand any aspect of these Terms and Conditions please contact us.

2 About Clubfinance, and James Brearley & Sons

- 2.1 Clubfinance does not offer advice – we offer arranging services on an execution-only or execution-only direct-offer basis. Clubfinance is authorised and regulated by the Financial Conduct Authority to arrange investment products, non-investment insurance, and mortgages for all client types. Clubfinance does not produce the products or manage the underlying investments.
- 2.2 Clubfinance Ltd is authorised and regulated the Financial Conduct Authority. Our FCA Register number is 400139.
- 2.3 James Brearley & Sons is the trading name of James Brearley & Sons Limited, (Company Number: 3705135). James Brearley is authorised and regulated by the Financial Conduct Authority (FCA Register Number: 189219), to provide services including dealing in, and custody of, investments and other client assets. James Brearley is a member of the London Stock Exchange, and the Wealth Management Association.
- 2.4 Details for Clubfinance and James Brearley can be checked on the Financial Conduct Authority's Register by visiting the FCA's website www.fca.gov.uk/register/ or by contacting the FCA on 0800 111 6768.
- 2.5 Clubfinance has an agreement in place with James Brearley to provide the Service for Clubfinance's customers. In general, James Brearley is responsible to Clubfinance for the provision of the Service (Clubfinance is James Brearley's client), and you are the client of Clubfinance in relation to your use the Service, but both Clubfinance and James Brearley are bound by the FCA's rules. You are not a customer of James Brearley (of any description), with the sole exception of the Frequent Trader ISA, for which you are also a client of James Brearley as ISA manager (this is an administrative function). Information about the services provided by James Brearley is included to provide you with information about how the Service will operate.
- 2.6 References to James Brearley in these Terms and Conditions are applicable only in the context of James Brearley as the provider of the Service, and where relevant if they cease to be the provider of the Service, as a former provider of the Service (e.g. in relation to completion of outstanding transactions).

3 About you

- 3.1 Under these Terms and Conditions, we will categorise you as a retail client (within the meaning of the FCA's rules) unless a different categorisation has been specifically given to you or agreed with you in writing by Clubfinance.
- 3.2 Retail clients benefit from the protections given to retail clients under the UK regulatory system. Certain entities (trusts, companies, etc.) and clients categorised other than as retail clients may not be able to rely on all of the protections afforded to

retail customers (for example, the right to refer a complaint to the Financial Ombudsman Service, or access to the Financial Services Compensation Scheme).

4 Responsibilities

- 4.1 When providing the Service to you Clubfinance undertakes to act in your best interest at all times. Your general responsibilities under these Terms and Conditions are set out below.
- 4.1.1 You will ensure that at all times you have the necessary power, authority and approvals to enter into any transaction or service provided under these Terms and Conditions.
 - 4.1.2 You will ensure that you have the authority to pay in and receive, any money and other assets covered by these terms and conditions, and to sign any form supplied by us to you.
 - 4.1.3 You will not give instructions to buy or sell investments unless you are able to settle your liability in full on the due date.
 - 4.1.4 You accept that the price and value of any investment and the income derived from it can fall as well as rise, and that past performance is not a reliable indicator of future results. You may get back less than you invested or nothing at all.
 - 4.1.5 You accept that all investments involve a degree of risk, and depending on the investments you select, the Service may involve special risks related to specific features of the investment or the operations to be executed, or whose price depends on fluctuations in the financial markets outside Clubfinance's and James Brearley's control.
 - 4.1.6 You will not use the Service for any purpose which is unlawful, abusive, libellous, slanderous, obscene, or threatening.
 - 4.1.7 You will not engage in market abuse. If you would like further information on what market abuse is, please refer to the information available on the FCA website, www.fca.gov.uk, or contact us. If you are uncertain whether your dealings or proposed dealings represent market abuse, you must take legal advice.
 - 4.1.8 You will ensure that all investments held within the Service on your behalf or which you ask to sell are not subject to a claim on ownership by another party (for example, you will ensure that no-one else has the right to withhold or dispose of them).
 - 4.1.9 You will respond promptly to any request made for information about you in relation to your use of the Service, and provide comprehensive, accurate and factual information.
 - 4.1.10 You will inform us immediately of any changes to your correspondence address, e-mail address, residency or citizenship status, or other personal information originally supplied by you on an application form relating to the Service. You are required to maintain a live e-mail address for the receipt of ongoing communications.
 - 4.1.11 You will be entirely responsible for the management of your tax affairs. Please note that capital gains valuations and calculations available from the Service may not be accurate if you hold the same security in more than one account (for example a joint and an individual account, or an account with another broker).
 - 4.1.12 You will keep any security information, username, passwords or system access codes secure. If you become aware that anyone has or may have your password without having your authority to use it, or you know or suspect that someone is impersonating you, you should inform us as soon as possible. Your access to the Service will be suspended until you receive notification of new security information.
 - 4.1.13 If you become aware that the security of the e-mail address that you have provided to us in relation to the Service has, or may have been compromised, you should contact us as soon as possible, and also provide us with an alternative e-mail address by sending us a message after logging into the Online Service.
 - 4.1.14 You will monitor your account(s) within the Service on a regular basis, and you will contact us immediately if you identify any inaccurate information.
 - 4.1.15 You accept that you will not gain any ownership rights or intellectual property rights over the online systems, functionality, or software used to provide the Service.
 - 4.1.16 You will not use the Service for any inappropriate purpose, or in an inappropriate manner, including practices considered to be in breach of market etiquette, for example disguising the size of a trade by executing a large sale or purchase as a quick succession of smaller trades. If we or James Brearley warn you in relation to any inappropriate use, you will take the necessary action to avoid future inappropriate use.

5 The Clubfinance Frequent Trader Service

- 5.1 It is important that you understand the nature and scope of the Frequent Trader Service. The Service is an execution-only (i.e. non-advised) arranging service for investments, provided by means of a platform providing facilities to deal in and hold a range of investments, in a range of investment wrappers. If you have any doubt about the suitability or appropriateness of the Service or a particular investment or transaction, or you want or need advice, you should seek a personal recommendation from a suitably FCA authorised and regulated adviser.
- 5.2 The Service is for United Kingdom ('UK') residents only. If you become a resident of any country other than the UK you must inform us and we may have to close your account(s).
- 5.3 The Service is for trading securities settled in the UK, predominantly using the CREST settlement service. The Service has a limited ability to hold and trade securities in other jurisdictions and therefore should not be used as a primary means of trading international shares or other international listed securities.
- 5.4 Clubfinance is your intermediary (agent) for the Service, which is provided by a Service provider appointed by Clubfinance. You cannot appoint an alternative intermediary for the Service – Clubfinance is the client of the Service provider. You can use the Service whilst working with your external advisers (such as your accountant or financial adviser).
- 5.5 Clubfinance has appointed James Brearley to provide the Service, including dealing and custody services, although Clubfinance retains the right to appoint a different Service provider.
- 5.6 The Service (and/or part of the Service and/or any additional services) may require a minimum initial subscription. Any minimum initial subscription required will be detailed on the Frequent Trader Charges Schedule applicable at the time of the relevant subscription.
- 5.7 Subject to restrictions that may apply to your access to some investments, the Service enables you to transact in some or all of the following investments.

- a) Equities (shares) for both UK and foreign companies. Equities not quoted on the London Stock Exchange Main Market, AIM or ISDX are usually subject to additional dealing and/or holding charges (see the Frequent Trader Charges Schedule for more information). Please note that if you wish to buy or hold certain US investments, you will be required to complete additional forms in order to satisfy US tax regulations, and there is an additional annual administration fee for holders of US stock as set out in the Frequent Trader Charges Schedule. This includes US investments quoted on the London Stock Exchange (identifiable by an ISIN number starting with the letters 'US' and followed by a further ten characters e.g. US0123456789).
 - b) Fixed Interest Investments – Corporate Bonds, Eurobonds, Sovereign Debt, UK Government Stock (Gilts) and Certificates of Deposit;
 - c) Open and Closed-ended Funds (e.g. Unit Trusts, OEICs);
 - d) Warrants and some other types of Derivatives (e.g. Covered Warrants) on investments falling within (a), or (b), or on certain indices (for example, the FTSE 100 Index);
 - e) Investments which are similar or related to any of (a) to (d) (e.g. Structured Products).
 - f) Further investments that may become available during the course of your use of the Service.
- 5.8 For the protection of retail clients, there may be other limitations and restrictions imposed by the FCA, James Brearley, or another service or product provider, which may restrict our ability to arrange certain investments for you. Some of these are described elsewhere in these Terms and Conditions.
- 5.9 The price and value of these investments and the income you receive from them can fall as well as rise. You may get back less than you invested or you may get back nothing at all. You should think carefully before investing, and consider whether such investments are right for you and whether or not you can afford to invest.
- 5.10 You will not receive advice or a recommendation from us or James Brearley. You may be asked some questions to narrow down the selection of products that we will provide details on. You will then need to make your own choice about how to proceed.
- 5.11 The Service is an execution-only service meaning that investments are bought and sold on your specific instruction. You will not receive advice. Clubfinance and James Brearley will not make any recommendations to you or offer any opinion as to the suitability, merits, tax consequences, or use of trusts, in relation to any transaction or course of action. You will retain all responsibility for the suitability of any investment purchased or held (i.e. they meet your objectives, you understand the risks involved, and you are willing and able to bear those risks). Clubfinance and James Brearley will not make any assessment of the appropriateness for you of any investments with the exception of Complex Financial Instruments, access to which requires an additional application process - as part of this process James Brearley will assess the appropriateness for you of the broad types of Complex Financial Instrument for which you are requesting access.
- 5.12 The Service is provided principally via a dedicated internet dealing site (the Online Service). Placing instructions to buy or sell investments by telephone is also available and is primarily, but not solely intended for use when it is not possible to place an instruction to buy or sell investments through the dealing site. Telephone dealing will carry an additional charge per instruction to buy or sell investments taken by telephone.
- 5.13 The Service incorporates a Nominee Service, which is a facility whereby an investment, instead of being registered in your own name, is registered and held on your behalf by a nominee (see below). This arrangement allows James Brearley to take care of the necessary dealing and administration associated with your investments whilst reducing the paperwork you will have to deal with.

6 Using tax-efficient wrappers

- 6.1 By wrappers we mean tax-advantaged investment structures in which investors are able to hold investments, e.g. Individual Savings Accounts (ISAs, also known as New ISA or NISA), Junior Individual Savings Accounts (JISAs), and Self-Invested Personal Pension Schemes (SIPPs).
- 6.2 James Brearley is approved by HM Revenue and Customs (HMRC) as an ISA and JISA manager – this is an administrative function. Not all investments are permitted to be held in an ISA or JISA. An ISA or JISA account automatically terminates on the death of the account holder.
- 6.3 Clubfinance and James Brearley accept no liability if you purchase ISAs or JISAs in a manner which does not comply with ISA or JISA rules respectively.
- 6.4 Tax treatments depend on your individual circumstances and may be subject to change in future.
- 6.5 Additional Terms and Conditions relating to NISAs, and JISAs are set out in Annexes 1-2 of this document.

7 The basis on which James Brearley will act

- 7.1 In providing the Service, James Brearley will usually act as your agent. This means that James Brearley will act on your behalf, executing your instructions to buy or sell investments by dealing for you with a third party. For example, when James Brearley is acting as your agent to buy shares, James Brearley does not own the shares you are buying.
- 7.2 James Brearley will not normally act as principal (where, for example, if you were to buy shares, these would be owned by James Brearley). James Brearley may act as principal if they believe it is in your best interests to do so or it is a particular convention or requirement of a particular stock market or exchange.
- 7.3 Where James Brearley has acted as principal, this will be indicated on the confirmation note for the transaction (see below).

8 Some Risk Factors

- 8.1 Past performance is not a reliable indicator of future performance.
- 8.2 All investments carry a degree of risk, which could result in you receiving back less than you expected either as income or when you sell. Some causes of investment risk are: general market fluctuations, industry-specific market fluctuations, trends in interest rates and foreign exchange rates, company-specific factors, supply and demand, and market sentiment.
- 8.3 Any tax information displayed on the Online Service is based on current legislation and taxation levels, which may be subject to change. Tax treatments depend on your individual circumstances and may be subject to change in future.

- 8.4 Warrants and other derivatives. These types of investment are Complex Financial Instruments and are subject to an additional application process for you to be able to trade in them (see section 23). A derivative is a financial instrument whose price is dependent upon or derived from one or more underlying assets. The derivative itself is a contract between two or more parties which has a stated expiry date (the other party/parties are 'counterparties'). The value of the contract is determined by fluctuations in the value of the underlying asset (for example, a share, currency, commodity, or index) and the length of time before the derivative expires. You should not deal in derivatives unless you understand their nature and the extent of your exposure to risk. This section cannot disclose all those risks or other significant aspects. You should also be satisfied that the product is suitable for you in the light of your circumstances and financial position. Although some derivatives can be used for the management of investment risk, some of these products are unsuitable for many investors. Different instruments involve different levels of exposure to risk and in deciding whether to trade in such instruments you should be aware of the following points, which include more information on some specific types of derivative, together with some more general points. For some further information, please see the Frequent Trader Information Sheets on 'Derivatives & Similar Instruments' and 'Structured Products' – these together with other additional risk warnings and Information Sheets are available here: www.frequent-trader.co.uk/documents.php.
- 8.4.1 Warrants - a warrant is a time-limited right to subscribe for shares, debentures, loan stock or government securities and is exercisable against the original issuer of the underlying securities. A relatively small movement in the price of the underlying security results in a disproportionately large movement, unfavourable or favourable, in the price of the warrant. The prices of warrants can therefore be volatile. It is essential for anyone who is considering purchasing warrants to understand that the right to subscribe which a warrant confers is invariably limited in time with the consequence that if the investor fails to exercise this right within the predetermined time-scale then the investment becomes worthless. You should not buy a warrant unless you are prepared to sustain a total loss of the money you have invested plus any commission or other transaction charges.
- 8.4.2 Covered Warrants (a type of Securitised Derivative) - these instruments may give you a time-limited right to acquire or sell one or more types of investment, which is normally exercisable against someone other than the issuer of that investment. Or they may give you rights under a contract for differences which allow for speculation on fluctuations in the value of the property of any description or an index, such as the FTSE 100 Index. In both cases, the investment or property may be referred to as the 'underlying instrument' or 'underlying'. These instruments often involve a high degree of gearing or leverage, so that a relatively small movement in the price of the underlying investment results in a much larger movement, unfavourable or favourable, in the price of the instrument. The price of these instruments can therefore be volatile. These instruments have a limited life, and may (unless there is some form of 'guaranteed' return to the amount you are investing in the product) expire worthless if the underlying instrument does not perform as expected. Even a 'guaranteed' return will be subject to risks such as counterparty risk (see below). You should only buy this product if you are prepared to sustain a total loss of the money you have invested plus any commission or other transaction charges. You should consider carefully whether or not this product is suitable for you in light of your circumstances and financial position, and if in any doubt, please seek professional advice.
- 8.4.3 Other Securitised Derivatives (including Listed Structured Products) - these instruments may give you a time-limited right or absolute right to acquire or sell one or more types of investment which is normally exercisable against someone other than the issuer of that investment. Or they may give you rights under a contract for differences which allow for speculation on fluctuations in the value of the property of any description or an index, such as the FTSE 100 Index. In both cases, the investment or property may be referred to as the 'underlying instrument' or 'underlying'. These instruments often involve a high degree of gearing or leverage, so that a relatively small movement in the price of the underlying investment results in a much larger movement, unfavourable or favourable, in the price of the instrument. The price of these instruments can therefore be volatile. These instruments have a limited life, and may (unless there is some form of guaranteed return to the amount you are investing in the product) expire worthless if the underlying instrument does not perform as expected. Even a 'guaranteed' return will be subject to risks such as counterparty risk (see below). You should only buy this product if you are prepared to sustain a total loss of the money you have invested plus any commission or other transaction charges. You should consider carefully whether or not this product is suitable for you in light of your circumstances and financial position, and if in any doubt please seek professional advice.
- 8.4.4 Additional points for Listed Structured Products - Structured Products are 'financially engineered' investments which typically comprise of two component parts – a depositary note and a derivative. There are no standardised Structured Products - the terms, payout and risk profile of each instrument are bespoke and determined at the time of issue by the issuing bank. It is therefore important for investors to understand what a particular product will do and how it will behave if certain conditions are met, before investing.
- 8.4.5 General points relating to derivatives that may be available within the Service.
- Where relevant to the derivative, foreign markets will involve different risks from the UK markets. In some cases the risks will be greater. The potential for profit or loss from transactions on foreign markets or in foreign-denominated contracts will be affected by fluctuations in foreign exchange rates.
 - Before you begin to trade, you should obtain details of all commissions and other charges for which you will be liable. If any charges are not expressed in money terms (but, for example, as a percentage of contract value), you should obtain a clear and written explanation, including appropriate examples, to establish what such charges are likely to mean in specific money terms.
 - Derivatives are not covered under the Financial Services Compensation Scheme.
 - Suspensions of trading - under certain trading conditions it may be difficult or impossible to liquidate a position. This may occur, for example, at times of rapid price movement if the price rises or falls in one trading session to such an extent that under the rules of the relevant exchange trading is suspended or restricted.
 - Many derivatives involve a high degree of gearing (see 'geared investments' below).
 - For some types of derivatives (e.g. futures) the potential for loss is unlimited.

- Underlying risk - the value of the derivative will depend on the value of the underlying instrument, which may itself be volatile.
- General market risks - derivative prices are affected by general market risks like the prices of other stock market investments. Factors such as movement in local and global markets, interest rates, currencies and implied volatility have an impact on the price of derivatives. Investors should be aware that the return on derivatives may be zero, meaning investors may lose their entire purchase price, and will not reflect the return investors would realise if they actually owned the underlying instrument and received the dividends paid for example.
- Counterparty risk – the returns (if any) from a derivative contract are dependent on the solvency of the counterparty or counterparties to the contract. Even if a product is designed to return at least some of your investment, any failure of a counterparty to perform obligations when due may result in the loss of all or part of the investment. The failure of a counterparty is not covered by the Financial Services Compensation Scheme.
- Liquidity risk – there may be only one market-maker and therefore only one liquidity provider for the product. Liquidity will only be available in normal market conditions. Liquidity may be limited, meaning that investors may not be able to buy or sell a derivative at the desired price.
- Derivatives generally have a limited life, as denoted by their expiry date. After this date, the derivative can no longer be traded or exercised. The limited lifespan means that the time to expiry affects the price of the derivative - derivatives generally experience time decay (erosion of their time value) throughout their life. The rate of this decay accelerates as they near expiry and the derivative may expire worthless. Investors should consider the need to monitor derivatives frequently, especially if held near to expiry. The time limits mean that if a favourable movement in the price of the underlying instrument occurs after the derivative expires, the investor will not be able to benefit as the derivative no longer has validity.

8.4.6 Other risk factors in this section (8) may also apply to derivatives.

8.5 Exchange Traded Products ETPs (including Exchange Traded Funds ('ETFs') and Exchange Traded Commodities ('ETCs'))

8.5.1 ETPs are open-ended investments which are listed on a stock exchange and are traded and settled like shares. Most ETPs are passive instruments, which means they aim to replicate the performance of the underlying index, market sector, currency or commodity (hereafter in this section for convenience referred to as 'index') rather than outperform it. The majority of ETPs are based offshore and this may have tax implications for you. There are two types of ETP: 'Physical' and 'Synthetic'. It is important to read the relevant ETP prospectus to understand whether the fund is backed by physical assets or is underwritten by financial derivatives – please contact us if you are unable to access the relevant document.

8.5.2 A Physical ETP buys and holds a portfolio of assets designed to track the performance of the relevant index. The ETP may hold all the constituents of the relevant index (full replication), or may invest in a representative sample.

8.5.3 Synthetic ETPs are not backed by physical assets and are instead constructed using financial derivative transactions such as swap agreements or futures contracts. You should therefore be aware of the risk factors above relating to derivatives (section 8.4). In particular, if a counterparty (typically an investment bank) to a derivative contract entered into by the ETP were to fail, the ETP may lose a part or all of the funds invested. These losses would be shared directly with the holders of the ETP. Synthetic ETPs are Complex Financial Instruments and are subject to an additional application process for you to be able to trade in them (see section 23). For some further information, please see the Frequent Trader Information Sheet on 'Derivatives & Similar Instruments' – this together with other additional risk warnings and information sheets are available here: www.frequent-trader.co.uk/documents.php.

8.5.4 Some Synthetic ETPs use futures and/or other derivatives to achieve returns which exaggerate the movement of the underlying asset (i.e. they are 'geared investments' often also referred to as 'leveraged' – see below). These returns may be in the same direction as movements in the underlying asset or in the opposite direction. A 'short' fund would aim to deliver an increase in value corresponding to a fall in the relevant asset; a leveraged short fund would hope to deliver a bigger increase. With both types of fund, although limited to the amount invested, losses can be sustained much more quickly than with an ungeared investment.

8.5.5 ETPs often exhibit tracking errors. This is where there is a difference between the performance of the ETP and the performance of the index it is designed to track. There are a number of causes of this tracking error including:

- the effect of transaction and management costs;
- timing differences in rebalancing the portfolio to match changes in the relevant index;
- using a tracking method other than full replication of the relevant index;
- costs associated with the use of derivatives;
- rolling over of futures contracts or derivatives used for replication of the underlying asset's value at a greater price (contango) or lower price (backwardation) than the expiring contract.

8.6 Geared investments – gearing is a strategy, adopted with a view to enhancing the return for, or the value of a security or other investment (such as an Investment Trust), without increasing the amount invested by the holders of the security or other investment. Gearing involves one or more of the following: borrowing money; investing in one or more instruments, such as (but not limited to) warrants or derivatives, for which a relatively small movement in the value or price of the underlying rights or assets to which the instrument relates, whether favourable or adverse, results in a larger movement in the value or price of the instrument; and structuring the rights of holders of a security so that a relatively small movement in the price or value of the underlying rights or assets, whether favourable or adverse, results in a larger movement in the price or value of the security or investment. Gearing may result in:

- movements in the price of the security or investment being more volatile than the movements in the price of underlying investments;
- the security or investment being subject to sudden and large falls in value; and
- the holder getting back nothing at all if there is a sufficiently large fall in value of the security or investment.

- 8.7 Capital-at-risk products - many of the investments available are capital-at-risk products, where there is risk that you can lose some or all of the capital you invest.
- 8.7.1 Different capital-at-risk products carry a wide range of different risk profiles and the risk of losing capital will in general be higher than for capital-secure products such as deposits.
 - 8.7.2 Because of the risk to capital, capital-at-risk products should only form part of an investment portfolio.
 - 8.7.3 Before buying, you should check that you understand the way the product is priced, the charges involved, the length of time your money will be tied up and the consequences of cashing in the product early.
 - 8.7.4 The investment may be non-readily realisable.
- 8.8 Non-readily realisable investments - it may sometimes be difficult or impossible to sell some investments at an advantageous price (or in some circumstances at any price). Such non-readily realisable investments may include shares listed on the Alternative Investment Market (AIM) and other quoted smaller companies. You should not invest in these unless you have carefully thought about whether you can afford it and whether it is right for you. There is a restricted market for these types of investment, and it may therefore be difficult to deal in the investment or to obtain reliable information about their value.
- 8.9 The market for some investments may be restricted, making it difficult to sell them at a reasonable price, or at all. Reliable information about the value of investments may not be available. There may be only one market maker, and the market maker may be involved in the financial promotion of the investment or may be an associate of the issuer.
- 8.10 Investments subject to stabilisation - James Brearley or someone acting for them may carry out transactions where the price may have been influenced by measures taken to stabilise it. Stabilisation is a process where the market price of a new share or investment is maintained artificially during the period when it is first made available to the general public. The process of stabilisation can affect not only the price of the newly listed investment but others which are related to it.
- 8.11 Foreign currency based investments - investments that are in foreign currencies are subject to fluctuations in exchange rates which may have an adverse effect on the value, price or income of the investment. Dealing in these investments may incorporate additional costs, e.g. foreign exchange fees and delivery charges. These costs will be passed on to you. Hours of dealing in overseas markets are not the same as those in the UK and there may be delays in executing your instruction to buy or sell foreign currency based investments. Neither James Brearley nor Clubfinance will be responsible for any losses or loss of opportunity that may result. Changes in the rates of exchange between currencies may cause your investment and/or the income (if any) to go down or up.
- 8.12 Investment products often have initial charges that will reduce the value of your investment, together with ongoing costs, fees, charges and expenses.
- 8.13 Investments such as Investment Trusts or other individual shares are not authorised or regulated by the FCA, and therefore are not covered by the Financial Services Compensation Scheme.
- 8.14 Offshore investments - offshore investments are not authorised or regulated by the FCA and you will not be covered by the UK Financial Services Compensation Scheme. In addition these investments may be subject to limited or no regulation in their offshore jurisdiction, and there may be no investor compensation scheme or it may be inferior to the UK Financial Services Compensation Scheme. Offshore investments may be non-readily realisable, and/or high-risk investments.
- 8.14.1 Offshore investments may be subject to special tax considerations. Please ensure that you are aware of the taxation consequences and treatment of this type of investment for you the investor, and the investment company or vehicle, both in the offshore jurisdiction and the UK. If you have any uncertainty, you should obtain suitable tax advice. Please be warned that taxation levels, bases and reliefs can change. The tax treatment and status, and any changes to it, both in the offshore jurisdiction and in the UK represent an additional risk.
- 8.15 Investments that can fluctuate in value
- 8.15.1 The value of investments and the income from them can fall as well as rise as a result of market and currency fluctuations.
 - 8.15.2 You are not certain to make a profit; you may lose money/make a loss.
 - 8.15.3 The income that you receive from your investments may not be fixed, in which case it can go up or down.
 - 8.15.4 Where you invest in higher volatility funds, your investment may be subject to sudden and large falls in value - you could get back nothing at all.
 - 8.15.5 Where you invest in funds holding property, land or other illiquid assets, these can be difficult to sell, so you may not be able to sell/cash in this investment when you want to. There may be a delay in acting on your instructions to sell your investment. The value of property is generally a matter of a valuer's opinion rather than fact.
 - 8.15.6 On some products most of the charges will be taken in the early years of the investment. This means that if you withdraw during this time you may lose money/get back less than you invested.
 - 8.15.7 There is an extra risk of losing money when shares are bought in some smaller companies (including penny shares). There is a big difference between the buying price and the selling price of these shares. If they have to be sold immediately, you may get back much less than you paid for them. The price may change quickly and it may go down as well as up.
 - 8.15.8 For investment vehicles such as Investment Trusts, shares may trade at a discount (below the value) or premium (above the value) of the underlying assets held by the investment vehicle.
- 8.16 Taxation
- 8.16.1 Some investments may be subject to favourable tax treatment. There is no guarantee that any favourable tax treatment will be maintained.
 - 8.16.2 Taxation levels, bases and reliefs (if any) can change. The value of any tax reliefs and the application of tax levels and bases will depend upon your individual circumstances.
 - 8.16.3 Tax treatments may be subject to change in future.
 - 8.16.4 There may be events outside our or James Brearley's control (e.g. corporate actions) that crystallise a capital gain or other tax liability. Neither we nor James Brearley shall be liable for any tax liability you incur in such circumstances.

- 8.17 Stock lending – some investment vehicles that you can purchase using the Service may engage in stock lending, which is generating additional revenue by lending the assets they hold to third parties, such as an investment bank. If that third party were to fail and the investment vehicle is unable to recover its holdings, investors would suffer a loss (this is an example of a counterparty risk).

9 Key Investor Information

- 9.1 Where you wish to invest in an Open-ended Fund, you will be provided with the Key Investor Information Document ('KIID') relating to the fund or the Simplified Prospectus.
- 9.2 Wherever possible this information will be provided to you online. If it is necessary to provide the information to you by e-mail, online mailbox, or post, James Brearley may not be able to deal for you until you have received the documents.

10 Instructions to buy or sell investments

- 10.1 All dealings are subject to the rules, regulations, and accepted practices of the relevant investment exchange on which your instruction to buy or sell investments is executed.
- 10.2 When you give James Brearley an instruction to buy or sell investments, there are four main ways in which James Brearley can deal for you.
- 10.2.1 An instruction to buy or sell 'At Quote' will be carried out at the price quoted to you at the time of your instruction – this quote will be held for a period of 15 seconds, however if for any reason James Brearley is unable to execute an Instruction to buy or sell investments on the basis of this quote, you will be notified accordingly and you will then need to place the Instruction to buy or sell investments again. If you 'forward' your instruction to a dealer in the absence of or following expiry of a quote, by default this instruction will be dealt with 'At Best'.
- 10.2.2 An instruction to buy or sell 'At Best' or 'Market' means that James Brearley will deal at the best price available to them at the time your instruction is executed, and will carry out your instruction as soon as possible during normal market hours for the relevant market. An example would be when you 'forward' an instruction within the Online Service. Market prices can change quickly and therefore for an 'At Best' instruction you accept that the price may change in the time it takes for James Brearley to deal. You are responsible for reviewing the cash and stock positions on your account prior to placing the instruction. Neither we/nor James Brearley accept responsibility for checking that sufficient funds are in place to meet the total cost of the transaction.
- 10.2.3 An instruction to buy or sell at a 'Limit' is one where you set a specific limit price or better at which you will buy or sell a security such as a share. The limits facility usually operates from 08:10 to 16:29 each Business Day. If not immediately achievable, the 'Limit' instruction will apply for an agreed period of time (e.g.: for one attempt on receipt by a dealer in respect of a 'forward' instruction, one day, one week or one month). Once the system identifies that the shares are trading at an appropriate price, a price request is made and if the quote satisfies the limit you have set, the system will attempt to execute the instruction. However, if your instruction to buy or sell at a limit is in excess of the quantity of shares available to trade at the limit price, the instruction will be unsuccessful. In giving an instruction to buy or sell at a Limit, you accept that execution is not guaranteed. In certain market conditions the price of the investment may reach the limit but James Brearley may not be able to buy or sell at that price – once triggered, the instruction to buy or sell investments will only attempt to execute a limited number of times over a short period of time before failing. It is important that you monitor any open Limit instructions. Please note that the Limit instruction may fail if the size of the instruction to buy or sell investments is greater than the exchange market size for that security. Whilst James Brearley will endeavour to process instructions to buy or sell at a limit for the same security in the order that they are received by them, this may not always be possible, for example, due to prevailing market conditions, or the size and nature of each instruction to buy or sell at a Limit. All Limits are placed at your own risk - in all circumstances, irrespective of the cause, neither we nor James Brearley accept liability for any instructions to buy or sell at a Limit that are not executed or are unsuccessful. James Brearley is not able to guarantee to execute your instruction even if the price reaches your limit. Circumstances leading to instructions to buy or sell at a limit not being executed could include the loss of James Brearley's supporting real-time price feed, market conditions at the time (such as a 'fast market' where prices are purely indicative), backwardation (where the selling price is higher than the buying price), other clients have placed a similar instruction to buy or sell at a limit before your own (so James Brearley may carry out their instruction before yours), and other factors that are outside of our or James Brearley's control. Please note that Limit instruction functionality is currently only available for securities quoted in UK pence (GBX) and may not be available for all securities (for example limit instructions may not be accepted for bonds or securities available with multiple currency versions, even if one of those versions is quoted in UK pence (GBX)).
- 10.2.4 A 'Stop Loss' instruction is one where you set an upper limit price and a lower limit price in relation to a security that you already hold. If not immediately achievable, the Stop Loss instruction will apply for an agreed period of time (for example, one day, one week or one month). If the price falls below the upper limit (the 'trigger price') the instruction will attempt to execute. This does not mean that you will obtain the upper limit price or a price near to the upper limit price, because the price may be falling and will already be below the upper limit, or a share price may open significantly below the upper limit price. The lower limit price, or 'floor', therefore sets the minimum price you are willing to sell at. In giving a Stop Loss instruction, you accept that execution is not guaranteed. In certain market conditions the price of the investment may reach a price within the limits you have specified, but James Brearley may not be able to buy or sell at that price – once triggered, the instruction will only attempt to execute a limited number of times over a short period of time before failing. It is important that you monitor any open Stop Loss instructions. Once the system identifies that the shares are trading at an appropriate price, a price request is made and if the quote satisfies the limits you have set, the system will attempt to execute the instruction. However, if your Stop Loss instruction is in excess of the quantity of shares available to trade at that quoted price, the instruction will be unsuccessful. Please note that the Stop Loss instruction may fail if the size of the instruction is greater than the exchange market size for that security. Please note that Stop Loss instruction functionality is currently only available for securities quoted in UK pence (GBX) and may not be available for all securities (for

example Stop Loss instructions may not be accepted for bonds, or securities available with multiple currency versions, even if one of those versions is quoted in UK pence (GBX)).

- 10.3 At all times it remains your responsibility to regularly review the instructions you have given to buy or sell investments at a Limit and Stop Loss instructions, and compare these to the cash and stock positions on your account to ensure the instructions remain valid. It will not be possible to execute such instructions if you do not have sufficient cash available on your account to pay for a purchase, or sufficient stock to satisfy a sale. At times where an instruction to buy or sell investments at a Limit or a Stop Loss instruction is manually executed by James Brearley, neither we/nor James Brearley accept responsibility for checking that sufficient funds are in place to meet the total cost of the transaction.
- 10.4 It is your responsibility to monitor corporate actions, which may well affect the price on which you may have specified in your instruction to buy or sell investments at a Limit or Stop Loss instruction, and/or the number of shares you hold. You are responsible for monitoring your instructions to ensure they remain appropriate. It may be in your interests to specify a relatively short period of time i.e. no longer than a five-day period, to reduce the scope for such issues to arise.
- 10.5 James Brearley reserves the right not to follow an instruction to buy or sell investments if it is unable to do so because the size of the trade exceeds any limit set by the market for electronic trades. In these circumstances you will be notified accordingly.
- 10.6 You must only place an instruction to sell an investment if: you own it, or have the legal right to sell it; it has been credited to your relevant account; and registration to the relevant nominee company is complete.
- 10.7 You must only place an instruction to buy investments (and you should only expect it be executed) if your relevant account contains sufficient available cash to cover the cost of the investment and the associated transaction costs and charges.
- 10.8 Instructions to deal in more than one class of share or unit will be treated as separate transactions, as will sales and purchases of the same investment. Once you have placed an instruction to buy or sell investments, you will not be able to change or withdraw it. When you submit an instruction to buy or sell investments, you are responsible for ensuring the accuracy of your instruction. You should carefully check all the details of your instruction as once this is submitted, it is unlikely to be possible to cancel any purchase or sale. When placing an instruction using the Online Service, a summary will be displayed and you will have the opportunity to amend the instruction before you submit it for execution. If you submit an instruction that is incorrect, neither we nor James Brearley shall be responsible for any losses or loss of opportunity you incur.
- 10.9 Whilst you can usually enter instructions to buy or sell investments at any time the Online Service is available, stock-market-based investments can only be bought or sold during stock-market hours (usually 08:00 to 16:30 for the London Stock Exchange); and other investments may have restricted dealing times. In the case of Open-ended Funds these can only be bought or sold at the next valuation point. The next applicable valuation point will be dependent on both the time the instruction is submitted and the dealing terms of the fund. The valuation point will usually be on the same business day following the dealing cut-off time, however, some funds may have a valuation point the next working day after the dealing cut-off time or may only have a weekly valuation point. When you place an instruction to buy or sell investments outside of the market hours where such dealing takes place, your instruction will be held and processed at the next opportunity (unless you are informed otherwise).
- 10.10 You should contact us immediately if:
 - you do not receive confirmation within two Business Days via the Online Service or e-mail that your instruction to buy or sell investments has been received or carried out;
 - you receive confirmation of a transaction that you did not request.
- 10.11 Please note, if you wish to place an instruction to buy an investment that is not currently listed on the platform:
 - you will usually need to request that it is added before you are able to place the instruction; and/or
 - there may be a delay in executing your instruction; and/or
 - in some cases it may not be possible to deal in that particular investment.
 - the time taken to add the investment to the platform will depend on the type of investment, how and where it is traded, and the time taken by the relevant party/parties to respond to and action the request.
- 10.12 Public Offers including Initial Public Offers (hereafter in this document 'IPOs')
 - 10.12.1 James Brearley will accept an instruction from you to apply for shares or units in an IPO which James Brearley has chosen to participate in.
 - 10.12.2 When you give an instruction to apply for shares or units in an IPO, you authorise James Brearley to apply as agent, on your behalf, for shares or units in that IPO.
 - 10.12.3 Please note, James Brearley will not be obligated to act as agent in every IPO and may refuse to accept an instruction from you for any reason.
 - 10.12.4 By giving an instruction to apply for shares or units in an IPO, you confirm that you understand the importance of reading and understanding the terms of the offer prospectus and any supplementary information relating to the offer and that you are giving the instruction for James Brearley to apply on the basis of this information. If you do not understand, or have not been able to access this documentation, you should contact us before proceeding.
 - 10.12.5 You authorise James Brearley to give on your behalf, any warranties as set out in the offer prospectus and any supplementary information relating to the offer. Such warranties may include your eligibility to participate in the IPO. Please note, neither we nor James Brearley shall be obliged to verify or otherwise check your eligibility to participate in the IPO and you are responsible for ensuring your eligibility before giving an instruction to apply for shares or units.
 - 10.12.6 By giving an instruction to apply, you confirm that you are not and will not be acting for any persons located in any jurisdictions from which applications are prohibited in the offer prospectus and any supplementary information relating to the offer.
 - 10.12.7 Neither we nor James Brearley will be liable if the company does not accept the application to apply for shares or units in the IPO.
 - 10.12.8 Once James Brearley has made its application it will not be possible to cancel your instruction.

- 10.12.9 The allocation of shares or units to each application will be dependent on market demand. Oversubscription may mean applications may not be fulfilled and/or may be scaled-back. A lack of demand may mean the company does not proceed with the IPO.
- 10.12.10 Neither we nor James Brearley will be liable for any loss of opportunity as a result of any scaling back or any decision by the company not to proceed with the IPO. The terms of any allocation or scaling back will be set by the company and James Brearley's normal aggregation and allocation policies may not be applied.
- 10.12.11 Depending on the terms relating to a particular IPO, it may be necessary for James Brearley to process applications in your own name, in the Nominee Service, in NISAs, in different ways. Where it is permitted and you make more than one application (for example, in your NISA and in your own name), the amount of shares or units you receive from each application may differ even if you instruct us to apply for the same amount of shares or units in each application.
- 10.12.12 Consistent with our execution-only service, you are responsible for assessing the suitability and appropriateness of the IPO for your circumstances.

11 Best execution

- 11.1 When executing or carrying out instructions to buy or sell investments on your behalf such as shares, Open-ended Funds and derivatives, James Brearley will take all reasonable steps to achieve what is called 'best execution'. James Brearley has in place a policy that is designed to obtain the best possible execution results, taking into account the nature of your instruction to buy or sell investments, the priorities you place in filling those instructions, and the market in question, and which aims to provide the best balance across a range of sometimes conflicting factors.
- 11.2 James Brearley will take into consideration a range of different factors which include not just price but which may also include the cost of the transaction, the need for timely execution, the liquidity of the market, the ability to meet settlement requirements, the size of the order and the nature of the financial transaction.
- 11.3 In the absence of express instructions from you, James Brearley will use their judgement in determining the factors that they need to take into account for the purpose of providing you with 'best execution'.
- 11.4 James Brearley is not a member of any overseas exchange and, in the case of overseas shares, the obligation to achieve 'best execution' is shared with the entity that carries out the transaction on James Brearley's behalf.

12 Execution venues

- 12.1 Set out below, is information on the criteria that determine how James Brearley selects the different venues on which it may execute your instruction to buy or sell investments. James Brearley has identified those venues on which it will most regularly seek to execute your instructions and which they believe offer the best prospects for affording you best execution.
- 12.2 In selecting the most appropriate venues for the purpose of executing your instructions to buy or sell investments, James Brearley will take into full account the factors relevant to the instruction, including those set out below:
- what it reasonably assesses to be your best interests in terms of executing your instructions; and
 - such other factors as may be appropriate, including the ability of the venue to manage complicated instructions to buy or sell investments, the speed of execution, the creditworthiness of the venue and the quality of any related clearing and settlement facilities.
- 12.3 The policy, in providing you with best execution is, so far as is possible, subject to the processes set out in the section below titled 'Processes for delivering "best execution"', to exercise the same standards and operate the same processes across all the different markets and investments on which your instructions to buy or sell investments are executed. However, the diversity in those markets and investments and the kind of instructions that you may give means that different factors will have to be taken into account when the nature of the execution policy is assessed in the context of different investments and markets.

13 Specific instructions

- 13.1 Any specific instructions that you give to and are received by James Brearley, may prevent James Brearley from taking the steps that it has designed and implemented to obtain the best possible result. In such circumstances, Clubfinance and James Brearley shall not be responsible for any losses that may result.
- 13.2 Unless specifically requested by you to do so, James Brearley will not publish a Limit instruction (i.e. an instruction to buy or sell at a specific price) to the wider market.

14 Processes for delivering 'best execution'

- 14.1 James Brearley's aim is to process all instructions to buy or sell investments on a timely and efficient basis with the aim of obtaining the best possible outcome for each client. For instructions not placed 'At Quote' using the online system, upon receiving your instruction, one of its dealers ('the dealer') will make contact with a market counterparty (i.e. another party that will participate in the financial transaction), the process for which will vary dependent on the nature of the financial instrument being traded.
- 14.1.1 UK shares (including warrants)
- An electronic connection to the London Stock Exchange's Proquote central trading hub links to over thirty of the City of London's largest financial institutions. Upon receipt of an instruction to buy or sell UK shares, the details are submitted to the trading hub which, in a matter of seconds is communicated to all parties making buying and selling prices. Each returned quote is scrutinised by the system and again within seconds, the best possible price for the trade is conveyed back to the dealer. Quotes will be received based on prices prevailing on the London Stock Exchange, and the ICAP Securities & Derivatives Exchange. The price quoted is available for up to fifteen seconds during which time the dealer may accept this. A confirmation of execution is received within seconds of accepting the quote.
 - If the system fails to provide a quote, the dealer will review James Brearley's pricing systems, identify the appropriate financial institution offering the best price and telephone them with a view to executing the instruction to

buy or sell the investment with them. In certain illiquid stocks (those which are rarely bought or sold), a price may only be available from one financial institution.

- Timely execution is considered to have occurred if the order is executed within 30 minutes of receiving the instruction. In certain instances, where an Instruction to buy or sell investments is larger than the normal size of trades typically executed in the share in question, it may be necessary for the dealer to speak to a number of financial institutions and possibly leave the Instruction to buy or sell investments with one of them to try and find interest in satisfying it. In such circumstances it may not be possible to execute your Instruction to buy or sell investments within a 30-minute period.

14.1.2 Overseas shares

- James Brearley has established relationships with financial institutions that specialise in executing instructions to buy or sell investments in overseas shares. Upon receipt of an instruction from you relating to either a US, Canadian or European share, the dealer will contact the appropriate institution and wherever possible obtain a price from them in both the local currency and sterling. The local price is compared with that displayed on James Brearley's pricing systems wherever possible. The currency exchange rate is compared with the current spot rate displayed on the pricing systems.
- It is generally not possible to execute a trade on a overseas stock exchange 'At Quote' using the online quotation system and will therefore usually require you to 'forward' the instruction to a dealer. Please note that the dealers are only available during normal UK financial market hours and instructions forwarded outside of these hours may not be executed.
- Timely execution is considered to have occurred if the order is executed within 30 minutes of receiving the instruction. In the case of Australian shares, which because of time zone reasons are not tradable during normal business hours, it is possible to leave an instruction with a financial institution for them to try and execute overnight.
- In some instances it may be possible to execute an overseas instruction to buy or sell investments with a financial institution outside of their market trading hours. In such instances the financial institution may reduce their price quote in order to compensate for the additional risk of price fluctuations and exchange rate movements between the time of execution and their ability to actually trade on the local market.
- Please note that if you wish to buy or hold certain US investments, you will be required to complete additional forms in order to satisfy US tax regulations, and there is an additional annual administration fee for holders of US stock as set out in the Frequent Trader Charges Schedule.

14.1.3 Fixed interest investments (i.e. bonds and gilts)

- Upon receipt of an instruction to buy or sell a fixed interest investment, the dealer will attempt to execute the instruction via an electronic link to the London Stock Exchange's Proquote central trading hub, which links to a number of financial institutions that trade in fixed interest investments. If it is not possible to obtain an electronic quote, the dealer will review James Brearley's pricing systems to determine whether the stock is covered. If so, the dealer will deal with the financial institution offering the best price for the stock. If the stock is not covered by James Brearley's pricing systems, the dealer will contact at least two financial institutions and deal with the one offering the best price. In certain illiquid stocks (those which are rarely bought or sold), a price may only be available from one financial institution.

14.1.4 Units in Open-ended Funds

- All instructions to buy or sell open-ended funds must be placed with the dealing team of the particular fund group concerned. As a consequence, James Brearley's main objective is to ensure the instruction is communicated to the fund provider's dealing team on a timely basis.
- Most Open-ended Funds are priced once a day, however not all funds are priced at the same point in the day. Any instructions to buy or sell open-ended funds received within an hour of a fund's pricing point may not achieve that day's price. The instruction will be conveyed to the fund group by means of an electronic link, fax or telephone. Typically within 48 hours of placing the trade James Brearley will receive a confirmation note from the fund group.

14.1.5 New issues and infrequently dealt funds

- Upon receipt of an instruction from you to invest in a new issue (for example, an investment which has not previously been generally available for investors) or in an infrequently dealt fund (for example, one which does not deal regularly, perhaps monthly or less frequently), the dealer will speak to the administrator of the issue or the manager of the fund (as the case may be) to determine their deadline for receiving James Brearley's formal instruction to invest. Because of the additional administration work and typical requirement to forward money ahead of the deadline, any instruction received within 48 hours of this deadline may not be processed.

15 The factors considered when executing your instructions to buy or sell investments

- 15.1 For transactions in shares (including warrants), fixed interest investments and derivatives, the focus will be on total cost (or net proceeds in the case of a sale) of executing the instruction to buy or sell the investment. The instruction will be directed to the venue providing the best possible result in terms of total consideration or the cost of the transaction, in the absence of any specific instruction from you as to where the order should be carried out or executed.
- 15.2 Speed, likelihood of execution and settlement, the size and nature of the instruction to buy or sell an investment, market impact and any other transaction costs may be given precedence over the immediate price and cost factors but only where they are helpful in bringing about the best possible result in terms of total consideration to you. This may be justifiable for an instruction to buy or sell a particularly large amount in a relatively illiquid share for example.
- 15.3 James Brearley will act in your best interests when passing an instruction to buy or sell an investment to another entity (i.e. a fund group) for execution. James Brearley is not a member of any overseas exchange and, in the case of overseas shares, the obligation to achieve 'best execution' is shared with the entity that carries out the transaction on James Brearley's behalf.

- 15.4 Occasionally and particularly for non-UK companies, the stock market may be located outside the UK and will not be subject to the rules of the FCA.
- 15.5 Transactions in Open-ended Funds can only be executed in one place and at one price; James Brearley therefore has no discretion over execution venue or price. However, James Brearley will monitor the execution quality delivered by fund groups and take the necessary steps to correct any deficiencies should they arise.

16 Aggregating or combining instructions

- 16.1 James Brearley may aggregate your instruction to buy or sell investments with their own and those of other clients. It will only combine instructions in this way if it reasonably believes that you will obtain a more favourable price than if your instruction was carried out separately. However, on occasion James Brearley's decision to aggregate may result in you obtaining a less favourable price.
- 16.2 In the instance where instructions from a number of clients are combined as one larger instruction but this is then only partially completed, James Brearley will usually allocate on a pro-rata basis. This means you will receive a share of the completed Order in proportion with the amount you intended to invest. James Brearley may choose to allocate on a different basis should this result in a client being allocated an uneconomic holding (for example, a very small amount of shares for which the costs of holding or selling would be significant relative to the value of the shares).

17 The order of receipt

- 17.1 Client instructions will normally be executed in the order in which they are received. Exceptions to this rule may include instructions with special conditions such as price limits or where there is limited liquidity in the underlying investment, which may require extra time to achieve 'best execution'.

18 List of execution venues

- 18.1 A list of execution venues is provided below in respect of each type of instrument. The list shows those venues on which James Brearley places significant reliance in meeting its obligation to take all reasonable steps to obtain on a consistent basis, the best possible result for the execution of instructions to buy or sell investments. From time to time, James Brearley may choose to execute your instructions to buy or sell investments on alternative venues.

Type of Investment	The venues James Brearley will consider
UK shares, warrants, Covered Warrants, Listed Structured Products, Exchange Traded Funds	London Stock Exchange (including Official List and AIM), The ICAP Securities & Derivatives Exchange market and their respective member firms. The top five firms used include Winterflood Securities Limited, Peel Hunt LLP, Shore Capital Stock Brokers, Knight Capital Europe and Numis Securities Limited.
Overseas shares	A wide number of recognised stock exchanges such as NYSE ARCA, NYSE AMEX, NASDAQ, TSX Venture Exchange and the Toronto Stock Exchange. The three firms used being Winterflood Securities Limited, WH Ireland and Peel Hunt.
Fixed interest investments (Government and Corporate Bonds)	London Stock Exchange and their member firms. The top five firms used are Winterflood Securities Limited, Barclays Capital, HSBC Bank Plc, Peel Hunt LLP and Shore Capital Stock Brokers.
Units in Open-ended Funds (Unit Trust/OEIC)	Individual fund groups.

19 Consent

- 19.1 The first time you give an instruction to buy or sell investments, we will consider this as your acceptance of terms 11 to 18 under these Terms and Conditions.

20 Monitoring and review

- 20.1 Each year James Brearley formally reviews its policy for ensuring 'best execution' to ensure it remains effective and also that it is being correctly implemented. You will be informed about any significant changes to the policy on 'best execution'.
- 20.2 James Brearley will also monitor their effectiveness in achieving 'best execution' of instructions to buy or sell investments on a regular basis.

21 Short selling

- 21.1 James Brearley does not permit short selling (such as the selling of shares that you do not own, or have borrowed, where you intend to buy them back at a later date). Where James Brearley is aware of short selling, James Brearley reserves the right to close out the position. Clubfinance and James Brearley shall not be responsible for any outstanding balance.

22 Confirmation notes

- 22.1 After a transaction has been carried out for you, you will be sent a confirmation note setting out the essential details. The confirmation note will show, among other things, the amount that you will receive or the amount due by the settlement date. You should check carefully to ensure that the information contained in the confirmation note is correct and inform us immediately if it is not.
- 22.2 Other than for units in an Open-ended Fund, for each executed Instruction to buy or sell investments a confirmation note detailing all the relevant characteristics of the executed transaction will be issued to you no later than the first Business Day following execution. For units in an Open-ended Fund, a confirmation note will be issued within 24 hours of receipt of confirmation from the relevant fund group (usually this is within 3 Business Days following the transaction). If you have not received your confirmation note within two Business Days of placing the Instruction to buy or sell investments (or four Business Days in the case of an Open-ended Fund), please contact us immediately.
- 22.3 Confirmation notes will be sent to you electronically (for example, to the e-mail address indicated on your application to join the Frequent Trader Service or to your online mailbox for the Service). You should ensure that we have a valid e-mail address for you at all times.

- 22.4 Even though James Brearley has sent you your confirmation note, James Brearley is unable to guarantee that it will be received by you (for example, if it was lost in the postal system or an electronic message was undelivered or could not be accessed).
- 22.5 You should retain all confirmation notes for taxation purposes. Should you require an additional copy of a confirmation note, please contact us – we may make a charge for a replacement.

23 Complex Financial Instruments Assessment

23.1 Before you can use the Service in relation to an investment that James Brearley deems to be complex, you must complete the 'Complex Financial Instruments Assessment' form, and James Brearley must make an Appropriateness Assessment based on this.

23.2 The purpose of this Assessment

23.2.1 As a retail client using the Service, you are entitled to rely on a number of regulatory protections. One such protection is that before you invest (deal) in a Complex Financial Instrument on a non-advised (execution-only) basis, James Brearley is required to ensure that it is appropriate for you. This means ensuring that you have the knowledge and experience relevant to the Complex Financial Instrument in order to understand the risks involved.

23.2.2 This appropriateness test is a regulatory requirement.

23.3 What are Complex Financial Instruments?

23.3.1 Complex Financial Instruments are investments where the characteristics of the investment instrument and the risk of loss associated with it can be difficult to identify or understand.

23.3.2 Whilst not all Complex Financial Instruments are higher risk, they tend to have a number of characteristics that are generally associated with higher risk investments. These include:

- gearing or leverage which can multiply gains and losses - prices can be volatile;
- they can be prone to sharply reduced liquidity so they can be difficult to sell once you have invested in them;
- there may be a lack of transparency meaning it can be difficult to obtain reliable and comprehensive information on which to base investment decisions.

23.3.3 You should not invest in Complex Financial Instruments unless you understand their features and risks. If you invest, your capital will be at risk and you may get back nothing at all. If you have any doubt about the suitability of these types of investments, you should seek a personal recommendation from an FCA-regulated adviser.

23.4 Which financial instruments are considered complex?

23.4.1 James Brearley & Sons considers the following investments to be Complex Financial Instruments. Please note that the following descriptions are not intended to set out all of the features attached to the listed investments but are intended to provide basic information on the features of each.

- Shares not admitted to trading on a regulated market - these are shares that are not governed by the rules of a regulated market.
- Derivatives and similar instruments - a 'derivative' is a financial instrument whose price is dependent upon or derived from one or more underlying assets.
- Structured Products - Structured Products are 'financially-engineered' investments which typically comprise of two component parts – a depository note and a derivative.
- Complex Funds - the term 'Complex Funds' is a general term applied by James Brearley to certain Open-ended and Closed-ended Funds (sometimes referred to as Collective Investment Schemes) that are either not generally available to retail clients, are infrequently traded, or are unregulated.

23.4.2 In conjunction with this Assessment, you should read the Clubfinance Frequent Trader Information Sheet relating to each type of Complex Financial Instrument in which you are seeking to invest, together with any Clubfinance Additional Risk Warnings. Each Information Sheet is intended to provide you with an overview of the risks associated with each type of Complex Financial Instrument.

23.4.3 The above is deemed by James Brearley to be a full list of the Complex Financial Instruments that are available using the Service. The list may change in future if other types of investments are developed that James Brearley deem to be complex, or become classified as Complex Financial Instruments as a result of regulatory changes.

23.5 How will James Brearley assess whether a Complex Financial Instrument is appropriate for you?

23.5.1 In order to make an assessment of your knowledge and experience and assess that it is appropriate for you to invest in a Complex Financial Instrument, you need to provide some information about your previous investing experience and any relevant knowledge you have.

23.5.2 Where James Brearley has an obligation to assess appropriateness and the account is: a joint account; operated by a third party or under a power of attorney; a corporate account; a trust or similar; the information provided should be in respect of the person who can give James Brearley instructions to buy or sell investments. This person should complete and sign the appropriateness assessment form. James Brearley will assess appropriateness based upon their knowledge and experience.

23.5.3 James Brearley shall be entitled to rely on the information you provide unless James Brearley is aware that it is out of date, inaccurate or incomplete.

23.5.4 In order to make a fair and reasonable assessment of appropriateness, James Brearley may contact you to discuss the information you have provided.

23.5.5 Should you provide insufficient or no information, it is likely that James Brearley will be unable to assess whether you have the necessary knowledge and experience to understand the risks involved. Unless James Brearley has carried out the appropriateness assessment, James Brearley may be unable to deal for you in a Complex Financial Instrument.

23.5.6 However, the FCA's rules do permit that if James Brearley is unable to make the appropriateness assessment, or James Brearley believe that it is not appropriate for you and you still wish us to proceed, James Brearley may do so on your behalf. In such circumstances, we or James Brearley will write to you to explain that James Brearley has been unable to

make the appropriateness assessment or inform you that their assessment is that it is not appropriate for you to invest in a Complex Financial Instrument.

23.5.7 Please note that even if James Brearley assess that it is appropriate for you to deal in a particular Complex Financial Instrument, as you will be dealing on a non-advised basis, you will be responsible for making your own assessment and judgement as to whether an investment is suitable for you.

24 Nominee Service

24.1 The Nominee Service is a facility whereby an investment, instead of being registered in your own name, is registered and held on your behalf by a nominee company.

25 Important terminology to understand the Nominee Service

25.1 To understand the details of the Nominee Service, it is important that you understand some important terminology relating to how your investments may be held.

- The registrar for a company is the person or institution that is responsible for keeping records of the company's shareholders and bondholders. Usually, if you are the owner of a share or a bond in a company, you will be recorded by the registrar as the registered owner of the shares or bonds you own. You will typically receive a certificate or other similar document which confirms your entitlement. These are sometimes referred to as 'certificated' or 'registerable' investments.
- Dematerialised investments are those that can be held without evidence of ownership in the form of a certificate or similar document. Instead ownership is usually recorded electronically. Shareholders usually receive regular paper statements of their investments (which are not dissimilar to bank statements).
- A custodian is a financial institution that has the legal responsibility for holding and looking after a customer's investments, both those which are certificated and those which are dematerialised.
- A nominee company is one which is formed to hold and administer shares and other assets as a custodian (registered owner) on behalf of an actual owner (beneficial owner) under a custodial agreement which defines the precise nature of the arrangement.
- CREST is a dematerialised depository and settlement service for the United Kingdom and Republic of Ireland, operated by Euroclear (UK & Ireland).

26 How your investments will be held

26.1 Clubfinance never owns the investments we arrange for you.

26.2 Investments in certificated form that James Brearley purchase for you, or which you send in (e.g. share certificates) for transfer into the Service, will be registered or recorded in the name of a nominee company controlled by James Brearley. A nominee company's business consists solely of acting as a nominee holder of investments or other property. However, subject to the FCA's rules, James Brearley may use as a custodian a different nominee company that is controlled by either: a company associated with James Brearley; an investment exchange; or another third party.

26.3 James Brearley accepts full responsibility for the safe custody obligations of nominee companies controlled by it or controlled by companies associated with it, to the same extent as for its own acts.

26.4 Your investments will be held in dematerialised form wherever possible (as an electronic entry on a register, rather than in the form of a physical share certificate).

26.5 The nominee company will be the legal owner of your investments, but at all times you will remain their beneficial owner.

26.6 Investments held in a nominee company are ring-fenced from James Brearley's own investments, and the nominee company is restricted to only holding client investments and returning investments only to the beneficial owners. In the event of insolvency of James Brearley, all client investments are protected and returnable to you.

27 Use of third-party custodians

27.1 Where James Brearley uses a third party as a custodian, James Brearley will ensure that this is permitted by the FCA's rules. James Brearley will exercise all due skill, care and diligence in the selection of that third-party custodian. Where James Brearley has done so, neither James Brearley nor Clubfinance will be liable for any losses whether caused directly or indirectly by the default of that third-party custodian.

28 Overseas investments

28.1 Overseas investments may be subject to different settlement, legal and regulatory requirements than those which apply within the United Kingdom. You should be aware that these differences may mean that it may not be possible to segregate your investments from those of James Brearley, and there may be different practices for the separate identification of custody investments.

29 Pooling

29.1 Investments which are registered or recorded in the name of a nominee company will be held in an 'omnibus account', meaning they will be pooled with those of other clients. This means that your individual entitlements may not be identifiable by separate certificates, other documents or an equivalent electronic record.

29.2 In the event of a default by James Brearley, a nominee company, or a third-party custodian responsible for the pooled investments, if there is a shortfall in the assets held (i.e. the amount available is less than is expected or due), you may share in that shortfall in proportion to your original share of the assets in the pool.

29.3 For investments held in an omnibus account with a third-party custodian, in respect of liabilities and charges arising from the administration of that account, the custodian may have rights to keep possession of those investments until the liabilities and charges are met, or to sell them to settle the liabilities and charges.

30 Corporate actions

- 30.1 Corporate actions are anything that a company does that has a direct impact on shareholdings or that involves payments to or from shareholders. Examples of corporate actions include: takeovers, rights issues and other offers, capital reorganisations, conversions, subscription rights, scrip issues, splits, consolidations, demergers, and dividend payments.
- 30.2 Corporate actions can result in jurisdiction or settlement system change following the action. This can mean you incur higher charges to hold or if you then sell these securities, or you being unable to trade in them.
- 30.3 James Brearley will be responsible for allocating all dividend and interest payments, and other entitlements that are due to you. Dividends and interest income from investments will be allocated and added to the cash balance of your account(s) within 10 Business Days of receipt, unless prevented by factors outside of James Brearley's control.
- 30.4 James Brearley has no facilities for receiving shares instead of cash dividends. Dividends, interest and other income accruing to your account will be allocated in accordance with your instructions.
- 30.5 When a corporate event results in your entitlement to part of a share, this cannot be allocated to your relevant account. Instead the part-share entitlement will be paid into your account as cash subject to a minimum of £5.
- 30.6 A message will be sent to you electronically (for example, to the e-mail address indicated on your application to join the Frequent Trader Service or to your online mailbox) to you to let you know about a corporate action (this does not apply to dividends, which are shown on your cash statement, viewable online). However, you will be responsible for taking the decisions about the action to be taken, and you will need to inform James Brearley in writing (e.g. by replying to their e-mail notification) of the action to take in respect of the shares you hold. If you do not respond with a decision within the time-frame specified in the communication, James Brearley will take the default option notified to you (if any) or otherwise no action. Where possible, James Brearley will send the message to you not less than 7 days from their deadline for receipt of responses.
- 30.7 It is your responsibility to take note of corporate actions messages and to be aware of the potential impact on your holdings. Please be aware that it does take some time to update holdings following certain corporate actions, e.g. share splits or consolidations. This can mean that an incorrect value is temporarily shown for the affected holding, for example if the price per share is updated in advance of the number of shares held being updated,
- 30.8 Where your holdings are pooled with those of other customers, your entitlements arising from any corporate action will be allocated to you promptly and within any guidelines set out by the FCA. Following receipt, the processes involved in allocation may mean that there is a delay before any entitlement or proceeds are available to trade in your account.
- 30.9 Please note that you will not be notified of company meetings. You will not normally receive Annual Reports and Accounts or be able to attend and vote at company meetings. Neither will you be entitled to receive any shareholder benefits that you may be entitled to if the investments were registered to you in your own name.

31 Non-standard settlement

- 31.1 Usually when you buy or sell investments, the intended settlement day is in the future so that payment (for purchases) or delivery (for sales) can be achieved. Where a non-standard settlement period is required, the price of the investments you buy may be higher if you make a purchase or you may receive less for your investments if you sell. Clubfinance and James Brearley shall not be liable for any price difference relating to transactions which require non-standard settlement.

32 Client Money

- 32.1 Clubfinance does not hold Client Money or other client assets. Clubfinance never accepts cash payments, and never accepts a cheque made out to Clubfinance (unless it is a cheque in settlement of charges or disbursements for which you have received a bill).
- 32.2 Money which is held by James Brearley on your behalf will be treated as Client Money in accordance with the Client Money Rules of the FCA. In accordance with these rules, James Brearley will hold Client Money in Client Money Bank Accounts, which have trust status, and which are ring-fenced from bank accounts holding money belonging to James Brearley. In the event of insolvency of James Brearley all Client Money would be protected and returned to you.
- 32.3 James Brearley will hold Client Money at one or more Banks, Credit Institutions or Qualifying Money Market funds as permitted under the rules of the FCA and which James Brearley has assessed as being fit for that purpose. Client Money will be held in one or more pooled deposit accounts in a manner which will identify Client Money separately from money belonging to James Brearley. If a bank at which James Brearley holds Client Money fails, the full amount of the Client Money held should be recoverable, but if there was an un-reconciled shortfall in the money held in the Client Money account, you may share in that shortfall in proportion to your original entitlement to money in the pool. If part or none of the Client Money held were recoverable from the Bank or Building Society, the Financial Services Compensation Scheme would protect you against any losses - the claim limit is currently set at £75,000 per person per bank. Where James Brearley uses a non-UK financial institution (such as a bank) to hold Client Money on your behalf, the maximum compensation will be governed by any compensation scheme in place in the non-UK financial institution's home state.
- 32.4 Client Money will normally only be held in sterling. If funds are sent to James Brearley in another currency, James Brearley will take this as your instruction to convert the amount to the sterling equivalent at the prevailing exchange rate.

33 Interest

- 33.1 Interest will be paid on Client Money at the rates shown in the Frequent Trader Charges Schedule or as notified to you. This rate may be zero. Any interest earned on Client Money in excess of these rates will be retained by James Brearley. Any interest will be credited to your account(s) usually within five working days following the end of the relevant period, which may be monthly, quarterly or another basis as varied from time to time.
- 33.2 Please note that only Cash Settlement Accounts are interest bearing and no interest will be paid on money held in general client accounts (for example, when funds are held pending settlement of a purchase).

34 Statements

- 34.1 You will be provided with an annual report, which includes: a Portfolio Valuation, Consolidated Tax Certificate, Income Schedules, Transaction Statements and a Cash Statement. You will be notified by e-mail that your report is available in your online mailbox for the Service. Please note that capital gains valuations and calculations may not be accurate if you hold the same security in more than one account (for example a joint and an individual account, or an account with another broker).
- 34.2 Currently the report is produced annually with the aim of making it available at the end of April, but this may change in future.
- 34.3 We request that you review any reports. You should inform us immediately if there are any discrepancies between your records and the report.

35 Payments and receipts

- 35.1 Cleared funds are funds that are available to invest or that can be paid to you. You will not usually be able to invest or withdraw funds from your account until they are deemed by James Brearley to be cleared funds.
- 35.2 Withdrawal requests or monies due to be paid out to you are paid electronically usually via the BACS system to your Nominated Bank Account (see section 39 below). If the account details you supply are incorrect, Clubfinance and James Brearley will not accept responsibility for any loss incurred. If sufficient cash is not available in your relevant account, your withdrawal request will be processed for the available amount or the withdrawal may not be permitted. Only settled cash may be withdrawn, for example, the usual London Stock Exchange settlement period is 2 working days (T+2), so you should allow at least 3 working days for the trade to be settled and the proceeds added to your Cash Statement before requesting a withdrawal. Any purchases made during the settlement period will also reduce the amount available to withdraw. In addition we may reduce the amount of a withdrawal to retain a cash balance estimated to cover the next payment due in respect of fees and any other accrued debits on your account(s).
- 35.3 You should expect a BACS payment to take around three working days to clear. If you require your money to be returned to you in less than three days, you can contact us to request payment using the Clearing House Automated Payments System (CHAPS) which is usually a same-day transfer and will incur an additional charge as set out in the Frequent Trader Charges Schedule. We cannot guarantee that payments will be completed in the timescales stated above or otherwise communicated to you. The operation of the external banking system is beyond both our and James Brearley's control. Neither we nor James Brearley will be responsible for or liable to you for any Consequential Loss arising from any payment which is not completed in these timescales. You should not rely on using funds held within the Service for meeting any urgent or emergency expenditure. This applies to you and any third party acting for you.
- 35.4 Withdrawals requests are subject to reasonable use of this service and withdrawal amounts are subject to a minimum amount of £50 per withdrawal, except in the circumstances of an account closure.
- 35.5 If you are intending to sell an investment in order to cover the cost of buying another investment the proceeds from this sale will usually need to be received by James Brearley and deemed by them to be cleared funds (i.e. the sale has settled) prior to the settlement date of the purchase. This means, for example, if you sell an investment for settlement in two days' time ('T+2') you will not immediately be able to use the proceeds to make a purchase that is due for settlement in one day (T+1).
- 35.6 Cheques to fund your account(s) must be from a UK account with a bank or building society on the FCA Register, drawn on an account in your name, and made payable to 'James Brearley & Sons', or for ISAs 'James Brearley & Sons ISA A/C'. In order to meet settlement deadlines, cheques received from you will be paid into a client money bank account at the first opportunity following receipt by James Brearley. To assist processing, you must write your relevant Frequent Trader account number on the reverse of the cheque. You should be aware that due to the lengthy cheque clearing process imposed by the banking system, it may take two weeks for the funds to be deemed cleared funds by James Brearley.
- 35.7 If a cheque you provide is returned from the bank (e.g. due to an error, it is unsigned, etc.) Clubfinance or James Brearley will let you know. You will be expected to make good the payment. See section 55 below.
- 35.8 You can make a payment to your account using your debit card. You can do this online by logging into the Online Service.
- 35.9 Payments into your account must become cleared funds before you place a trade. It can take some days for payments to clear even if they are made by bank transfer or using the Online Service's inject cash facility. Payments made to your ISA may first be held as cash in your General Account pending clearance and movement to the ISA account.
- 35.10 If you make payments by CHAPS or bank transfer, they may be subject to delays in being applied to your account(s) due to additional anti-money laundering checks in order to verify the source. If it is not possible to verify that the payment originates from your Nominated Bank Account for the Service, the payment may be returned to its source.
- 35.11 All payments into your Frequent Trader account(s) must be in sterling (i.e. the lawful currency of the United Kingdom).
- 35.12 It is your responsibility to ensure your account is funded to meet any deadlines (for example, funding your ISA prior to the end of the tax year or payment deadlines for rights issues), noting that enquiries regarding payment issues can only be dealt with between 9am and 5pm on Business Days.

36 Unclaimed Client Assets

- 36.1 Unclaimed Client Assets arise where James Brearley holds Client Money balances or safe custody assets for you, and there has been no movement on your account (other than charges, interest or similar) for a number of years (usually more than six years), during which we or James Brearley have been unable to contact you by any means (e.g. telephone, e-mail, post).
- 36.2 Where FCA rules allow James Brearley to do so and after taking all necessary steps required by the rules, James Brearley may stop treating as Client Money any unclaimed Client Money balances allocated to you. James Brearley may pay away any unclaimed Client Money to a registered charity of James Brearley's choice.
- 36.3 Where FCA rules allow James Brearley to do so and after taking all necessary steps required by the rules, James Brearley may either (i) liquidate an unclaimed safe custody asset they hold for you, at market value, and pay away the proceeds or (ii) pay away an unclaimed safe custody asset they hold for you, in either case to a registered charity of James Brearley's choice.
- 36.4 Where James Brearley has taken the steps, described in paragraphs 36.2 and 36.3, in the event of you seeking to claim the balance in future, James Brearley will undertake to pay you a sum equal to the balance paid away to charity.

37 Communication

37.1 We and James Brearley will aim to ensure that all of our communication with you is clearly and fairly presented so that you are able to understand its content. If anything is unclear or you are unsure about why you have received something, please contact us.

37.2 In respect of initial and ongoing communications some important general points which you should be aware of are as follows.

- These Terms and Conditions and other documentation and communications will be provided only in English. The language in which we and James Brearley will communicate with you and you can communicate with us and James Brearley is also English.
- We and James Brearley will only act on your instructions, or those of a third party that you have nominated and confirmed in writing to us that they may give instructions on your behalf, by sending us the appropriate form. Where you have nominated a third party, their instructions will be accepted as if you had given them yourself. We will need to verify the identity of the third party and determine their relationship with you (see section 39 below).
- Where you have given an instruction with an original signature to Clubfinance, or otherwise in accordance with these Terms and Conditions, you agree that Clubfinance is able to communicate instructions to James Brearley in relation to your account(s).
- In the normal course of business, James Brearley can only accept instructions to buy or sell investments which have been submitted electronically via the internet using the Online Service.
- We and James Brearley will not be responsible for any delays or failure of electronic communications, unless the delay or failure is the fault of Clubfinance or James Brearley.
- Placing instructions to buy or sell investments by telephone is also available and is primarily, but not solely intended for use when it is not possible to place an instruction using the Online Service. Please note that additional charges apply to telephone instructions to buy or sell investments.
- Instructions to buy or sell investments will not be accepted by e-mail, facsimile ('fax'), text message, social media, or any other form of communication over the internet other than by using the Online Service.
- Noting that the Online Service is the principal means by which you should give instructions, James Brearley will normally only act on verbal or written instructions. Before James Brearley accepts your verbal instructions given over the telephone, James Brearley will ask you or your representative some questions for security purposes.
- Written instructions sent through the post require an original signature – please note that some instructions can only be accepted by this method. Written instructions also include messages sent using your online mailbox for the Service, or via e-mail from the e-mail address you have registered with us for the Service (you must include your full name at the bottom of the e-mail). Written instructions sent by facsimile ('fax') will not be accepted.
- For written instructions, you should first check www.frequent-trader.co.uk/documents.php for an appropriate form. If the appropriate form is not used, we may request that you re-submit the instruction using the appropriate form.
- As the principal means of communication, Clubfinance will communicate with you via e-mail. Clubfinance may also communicate using your online mailbox for the Service, and may make increasing use of this method of communication in the future. Clubfinance also communicates by post, telephone, fax, and receives information submitted from the Clubfinance website. You will receive notices and other documents relating to your use of the Service by e-mail or to your online mailbox for the Service. Clubfinance will normally act only on written instructions.
- If you send us an e-mail that needs a response, and you do not receive a response within three working days, you should contact us.
- To access the online facilities used to provide the Service (i.e. the Online Service), including your online mailbox, you should log in via the relevant part of Clubfinance website (www.clubfinance.co.uk) and should refer to the relevant information and documentation as directed.
- Where we are dealing with more than one person (for example, a joint account, trustees, etc.) and your Application to Join the Frequent Trader Service has been completed in more than one name, your liability will be joint and several (this means that each person will be liable for all sums due under the Agreement, not just liable for a proportionate part). Instructions will be accepted from any one person as if they have been given by all account holders, with the exception of the following which will require instructions from all persons: termination of the Agreement; a change in the Nominated Bank Account for the account(s); and where specified on the relevant instruction form. In the case of investment clubs, instructions will only be accepted from the nominated member(s), including the transfer of money belonging to the club.
- Should a dispute arise between the persons connected to your account, you should inform us in writing and we and James Brearley will then act only on the instructions of all persons jointly, until such time as all persons connected to the account subsequently confirm in writing by post that the dispute has been resolved.
- Where an account is held in joint names, communications may be sent to the person who is first named on the relevant application form, and those communications will be treated as having been given to all joint holders.
- Where documentation is sent through the post, Clubfinance and James Brearley are not responsible for delays or losses within the postal system. If you send us something through the post, and do not receive an acknowledgement of receipt e-mail, please contact us to confirm whether we have received it. When any paperwork is sent to you in paper form, it will be sent by normal post to your last known address and will be sent at your risk. The recorded or special delivery service will not normally be used.
- For your protection, James Brearley may record telephone calls and may refer to the recordings should there be any confusion or dispute in respect of a transaction or conversation. James Brearley may be required to make the recordings of your conversations available to third parties (i.e. those who provide services to James Brearley) or to a regulatory body such as the FCA.

37.3 Any error or omission in any information, or document issued in relation to the Service shall be subject to correction provided that the correction does not materially affect the Agreement.

38 Unsolicited Calls & Financial Promotions

38.1 The ability to contact you at short notice can facilitate the effective provision of the Service. We and James Brearley will assume that you agree to be contacted in relation to your use of the Service without having been expressly invited to do so and that you are happy for us or James Brearley to contact you between 08:00 and 20:00 Monday to Saturday. You should notify us if you do not wish to be contacted in this way.

38.2 Clubfinance may include promotional material relating to Clubfinance's services with other communications to you, and may make you aware via an electronic message of public offerings on the London Stock Exchange that are available through the Service. You can opt in to receive further postal and/or e-mail marketing information (including financial promotions). Neither Clubfinance nor James Brearley will contact you for the purposes of making an unsolicited real time financial promotion. A financial promotion is a communication that is an invitation to engage in investment activity or take up additional services. A financial promotion should not be taken as a recommendation or an endorsement of any investment or service described - these may not be right for you and you should not invest unless you have satisfied yourself that the investment or service is right for you.

38.3 Clubfinance and James Brearley will not pass on your contact details to third parties for their marketing purposes.

39 Anti-money laundering requirements

39.1 Clubfinance is required to have in place procedures to guard against money laundering and terrorist financing. An important part of these procedures is the verification of the identity of our clients.

39.2 If your personal details have changed, or you have not already supplied identification documents to Clubfinance, Clubfinance must verify your name and address. To comply with anti-money laundering requirements, Clubfinance may subsequently need to request further information and/or identification during the course of your use of the Service.

39.3 For individuals, we may verify your identity by means of an electronic identity check via a referencing agency who may keep a record of the check. Instead, or in addition to an electronic check, we may ask you to provide original or certified copies of documents which evidence your identity. For entities (companies, trusts, etc.), we will request documentary evidence of identity. Where we request documents from you, these should be provided as soon as possible. Our identification requirements can be found on our website: www.frequent-trader.co.uk/documents.php.

39.4 Until your identity has been verified, we will be unable to open your account(s).

39.5 If we are unable to verify your identity or we are not satisfied that your identity has been verified, we may terminate these Terms and Conditions and withdraw the Service.

39.6 We may also terminate these Terms and Conditions and withdraw the Service if a satisfactory response to a request for further information or verification has not been received within a reasonable timescale.

39.7 Your Nominated Bank Account is used to receive cash withdrawals – the account must be able to receive BACS payments, you must be a named account holder on this account, and it must be a UK account with a bank or building society on the FCA Register (www.FCA.gov.uk/FCAregister). When joining the Service using a paper application form, when requested, or when changing your Nominated Bank Account, you must also send us an original (not printed from the internet) bank statement less than 3 months old to support your Nominated Bank Account, or, if this is not possible, a cheque from the account crossed with 'VOID'. This is in addition to the need to verify name and address (e.g. by means of two identity verification documents). Please note that following scanning, void cheques are destroyed. We may in addition, or as an alternative verify your Nominated Bank Account by means of an electronic identity check via a referencing agency who may keep a record of the check.

39.8 It is your responsibility to ensure your Nominated Bank Account details are current. If you wish to change your Nominated Bank account the new account will need to be verified, as detailed in 39.7 above, before any payment to it can be made.

39.9 We will also be required to verify the identity and determine their relationship with you, of any third party acting for you in accordance with section 37.2.

39.10 Notwithstanding the provision of identification documents, Clubfinance may at its discretion at any point undertake electronic identity verification procedures via a referencing agency who may keep a record of the check. This may include using Formations Direct Ltd or Equifax Limited as our agent, in which case, any electronic footprint may state 'Formations Direct', 'Equifax' or other reference agency as applicable.

40 Charges and remuneration

40.1 The charges applicable to the Service are set out in the Frequent Trader Charges Schedule in effect at the time the charges are incurred (available here: www.frequent-trader.co.uk/documents.php). Any alterations or changes to these charges will be notified to you and will be subject to section 52.

40.2 Charges, as set out in the Frequent Trader Charges Schedule, will be made by James Brearley and deducted from your account(s) as incurred.

40.3 Any quarterly or annual fees, as set out in the Frequent Trader Charges Schedule, will be charged at quarterly intervals ending 31st March, 30th June, 30th September and 31st December each year, and will be deducted from your account the following month. The applicable fees are specified on the Frequent Trader Charges Schedule. Please note that any applicable fees will apply separately to each open account held including joint accounts.

40.4 Any quarterly or annual fees will usually be deducted from your General Account where any applicable regulations permit this. You must ensure that there is sufficient cash within this account to cover relevant fees and charges. If there is insufficient cash we will at our discretion and subject to any applicable regulations deduct any outstanding amount from cash held in other of your accounts within the Service (e.g. ISA). If a balance remains outstanding, please see section 55.

- 40.5 Please remember that you will have to pay any applicable value added tax (VAT), stamp duty, stamp duty reserve tax (SDRT) or other levies applicable to the transaction or service. These will be charged at the rates in place at the time of the transaction and revised rates will apply as and when these change.
- 40.6 Please be aware of the possibility that other costs, including taxes, may arise for you in connection with your use of the Service that are not paid via the Service or imposed by it.
- 40.7 During the course of transacting your business on the Service, James Brearley may utilise the services of third parties. Those third parties may charge fees that James Brearley will pass on to you.
- 40.8 If a situation occurs where you would incur additional fees that are not set out in the Frequent Trader Charges Schedule, these will be agreed with you before you incur the fees.
- 40.9 Out of the total of Clubfinance's fees levied from all clients using the Service, Clubfinance will in turn be charged fees by James Brearley for the provision of the Service. Similarly, if another wrapper (e.g. a SIPP) is added to the Service, Clubfinance may be charged fees by the provider of that wrapper. Part of each Dealing Fee collected by James Brearley (see the current Frequent Trader Charges Schedule), represents a fee that is collected for and on behalf of Clubfinance.
- 40.10 In relation to the Service, any non-monetary benefit that Clubfinance or James Brearley receives will not detract from the duty to act in your best interest and will be designed to enhance the quality of the Service in compliance with FCA rules and guidance.
- 40.11 Please note that for many investments there is a difference between the price to buy (which is higher), and the price you obtain when selling it (which is lower), often referred to as a bid-offer spread. We and James Brearley have no control over this spread.
- 40.12 In addition to the fees and charges levied by the Service, investment products such as Open-ended Funds have their own initial and ongoing charges. In terms of initial charges, for dual-priced funds, units or shares bought with no initial charge are usually bought at 'Creation Price', which comprises Bid Price plus Stamp Duty and other charges that we cannot control or discount. Similarly, where the initial charge is not zero, the price paid will be the Creation Price plus the fund's initial charge. For single-priced funds the fund manager may apply a dilution levy or equivalent.
- 40.13 In the event that any dividend or other benefit received on your behalf is credited into your account(s) that you are not entitled to, James Brearley may deduct these amounts from the cash balance in the relevant account(s). If there is insufficient cash, you undertake on request to repay any outstanding amount.
- 40.14 If any cash or investments are credited to your account(s) in error, you undertake on request to return these to James Brearley within five Business Days of receipt any such amount. James Brearley will pay any associated bank charges. In the event that you invest such funds before the expiry of the five-day period, you will be allowed a further 20 Business Days to arrange the sale of investments from your account to allow the refund to be made. James Brearley will pay your reasonable administrative costs for arranging this. Please note that you will be responsible for any losses made when selling an investment (and similarly you will retain any profit in excess of the refund required).
- 40.15 In the event that cash or investments are credited to your account(s) and you are not sure why (e.g. it could be an error), you should contact us as soon as possible, and in any event before conducting any transactions involving the relevant cash or investments.

41 Service availability

- 41.1 Clubfinance's normal hours of operation are 9am to 5pm on Business Days. James Brearley's normal hours of operation are 8am to 5pm on Business Days. However, on occasion it may be necessary to vary these hours (for example, due to early closure of the London Stock Market, for staff training, emergency telephone system maintenance, etc). Please note that normal UK financial market hours are generally 8am to 4:30pm on Business Days, although under some circumstances they may be shorter or financial markets may be closed.
- 41.2 In normal operation, the Online Service is designed to be available for dealing during UK financial market hours. However you should not expect and we do not guarantee that access to the Online Service will always be available. Neither we nor James Brearley shall be liable for any losses or loss of opportunity whilst the Online Service is unavailable.
- 41.3 We may suspend, restrict and/or change the hours and time of operation, of all or part of the Service for any or all of your accounts where we reasonably consider this necessary or desirable due to reasons outside our control such as:
- volatility in the markets,
 - failure of electrical supply,
 - interruption or failure of the internet, telecommunication or other communication systems,
 - if any relevant exchange or clearing house fails to perform its obligations or suspends its services for any reason.
- 41.4 Where reasonably practicable we will give advance notice of this on our website but this may not always be possible.
- 41.5 We may need to interrupt all or part of the Service in order to carry out maintenance, emergency maintenance, or updates, or to protect the interests of the users of the Service. Where possible we will schedule such interruptions to fall outside of UK financial market hours.
- 41.6 Whilst we will endeavour to inform you of any necessary system maintenance or any disruption or suspension of the Online Service, we shall not be obliged to do so and you should contact us if are unable to access the online dealing facility to find out whether the Online Service is generally unavailable.
- 41.7 You are responsible for providing and maintaining the communications equipment that you use to access the Service (including the Online Service).
- 41.8 We cannot guarantee that the Online Service will support all browser types and be fully compatible with your communications equipment.
- 41.9 If you are unable to access the Online Service to trade online you may use the telephone dealing service provided by James Brearley during their normal business hours to place an instruction to buy or sell investments, although normal telephone dealing charges will apply. If there is a general fault with the Online Service meaning that it becomes unavailable (i.e. the

problem relates specifically to the Online Service and affects users of the Online Service in general), you may use telephone dealing at the usual online charges if: instructions to buy and sell investments for the particular investment can normally be placed online; and you do not exceed your average monthly number of trades over the previous 12 months (or since joining the Service if shorter) during a single period of unavailability. If you are unsure whether the unavailability is a general fault, or whether it is specific to you (e.g. problem with your computer equipment or software) in which case normal telephone dealing charges will apply, you should check before placing the deal by telephone. Please note that under these circumstances, demand for the telephone dealing service may be high, and it may take longer than usual to place an instruction.

- 41.10 If the Online Service is unavailable (i.e. the relevant web-pages and online functionality are not live on the internet and available for use with appropriate equipment and software) for a continuous period of three or more days, you shall receive a part refund of any quarterly or annual fees, representing that part of any quarterly or annual fees covering the period when the Service is unavailable. This does not include the circumstances described in 41.12 or 41.13 below.
- 41.11 If the telephone systems of James Brearley or Clubfinance are unavailable to receive calls for a continuous period of three or more Business Days, you shall receive a part refund of any quarterly or annual fees, representing that part of any quarterly or annual fees covering the period the Service is unavailable.
- 41.12 Please note, when joining the Service, opening an additional account, or resetting your password, there will be a delay before you can access your account(s) and/or use the Online Service. For example, our processes may require us to send you a password to access the Online Service by post. For paper applications, we will acknowledge our receipt of your application to join the Service or open a new account by e-mail. If you have not received confirmation that your account is open within 7 Business Days following receipt of our acknowledgement e-mail, please contact us.
- 41.13 In the event of actual or suspect improper use of the Online Service by you (for example, market abuse or behaviour leading to a breach of accepted market etiquette), we or James Brearley may withdraw or suspend your access to the Online Service without prior warning and with immediate effect. In such cases, neither we nor James Brearley shall be liable for any losses or loss of opportunity incurred as a result of these actions.

42 If you are unhappy with the Service or have a complaint

- 42.1 Whilst every care is taken to provide the highest standards of service, if you do experience a problem with the Service, please contact us and we will look into the matter and try to resolve it.
- 42.2 If you wish to register a complaint, please contact us:
- in writing to: 'Complaints' at Clubfinance Ltd, PO Box 1036, Hemel Hempstead, Hertfordshire HP1 2WU;
 - by telephone: (01442) 217287.
- 42.3 Summary details of our internal complaint handling procedures are available on request from this address, and will also be sent out when acknowledging a complaint.
- 42.4 Following our handling of your complaint, should the matter not be resolved to your satisfaction, you may then be eligible to refer your complaint to the Financial Ombudsman Service, Exchange Tower, London E14 9SR (telephone: 020 7964 1000, or 0800 023 4567, or 0300 123 9123; website: www.financial-ombudsman.org.uk).
- 42.5 The Money Advice Service also provides advice to consumers wishing to make a complaint (website: www.moneyadviceservice.org.uk).
- 42.6 Please note that in using an execution-only service, you are responsible for determining the suitability and ongoing suitability of your investments, meaning that you may have no grounds for complaint on the basis of an unsuitable product.

43 Other protections

- 43.1 In the event of the insolvency of Clubfinance or James Brearley, where the insolvent firm is unable to meet its obligations to you, if you are eligible you may be able to make a claim to the Financial Services Compensation Scheme (FSCS). Whether or not you can make a claim also depends on the type of business and the circumstances of the claim.
- 43.2 In the event of the default of one or more of the banks used by James Brearley to hold Client Money on your behalf, if you are eligible, you may also be able to make a claim to the Financial Services Compensation Scheme.
- 43.3 Under the FSCS, most types of investment business are covered up to the first £50,000. Therefore the maximum compensation for investment business is currently £50,000. In respect of cash held with a UK Bank the maximum compensation is currently £75,000. Further information about these compensation arrangements is available from the FSCS (website: www.fscs.org.uk), or on request.
- 43.4 Both Clubfinance and James Brearley maintain insurance policies which will provide cover to protect you in the event of any fraud or negligence by Clubfinance or James Brearley respectively.
- 43.5

44 Keeping your account secure

- 44.1 You will be responsible for keeping secure any usernames and passwords relating to the Online Service provided to you as part of the Service. You should also take care to ensure that any information about you which may be used as part of our security checks is also kept secure.
- 44.2 We and James Brearley will rely on all instructions delivered using the Online Service, given using your log-in details and password. You will be bound by such instructions.
- 44.3 Where we have sent you a password, you must change this password when you next use the Online Service.
- 44.4 We and James Brearley will never contact you and ask you for your username(s) and password(s) in full. If you are asked for this information you should not provide it. You should report any such requests to us immediately.

45 Data protection

- 45.1 As Data Controller, Clubfinance will ensure that all data held about you will be fairly and lawfully processed in accordance with the Data Protection Act 1998 and/or any replacement or additional legislation. James Brearley & Sons Limited is a Data Processor for these purposes, and for Frequent Trader ISA accounts James Brearley & Sons Limited is also a Data Controller

with the same obligations. Clubfinance and James Brearley will keep any information acquired in relation to the Service confidential, except for information that Clubfinance or James Brearley may be entitled or legally bound to disclose, or are requested to disclose by the FCA, the London Stock Exchange, or any other relevant regulatory authority in a relevant country.

45.2 In respect of the data Clubfinance or James Brearley hold about you:

- a) you agree that the information can be held on computer or paper files;
- b) you agree that the information may be used for the purposes of: providing you with the Service; contacting you as set out in section 38, including by post, e-mail, fax, telephone or other electronic means; understanding your requirements; preventing fraud or other money laundering or terrorist financing; recovering a debt; internal analysis and research; developing new products and services; and, providing you with details of changes to the Service.
- c) you agree that for the purposes of providing the Service, any information you give may be disclosed to third parties (e.g. product or service providers);
- d) you agree that the information held by Clubfinance can be provided to James Brearley, and the information held by James Brearley can be provided to Clubfinance;
- e) in accordance with the Data Protection Act 1998 you are entitled on payment of a fee of £10 (separately in respect of Clubfinance and James Brearley) to receive a copy of the information held about you, and to ask for any inaccurate details to be amended – we may request and require appropriate proof of identity before responding to the request;
- f) records will be retained for a length of time as determined by us to comply with regulatory and statutory requirements following the termination of your use of the Service.

45.3 If you breach the Agreement your personal data may be disclosed or passed to third parties to the extent necessary to assist recovery procedures.

45.4 If you provide data concerning other individuals (such as your spouse or civil partner), you confirm that you have obtained their explicit consent to the use of their personal information for the purposes described above, and can demonstrate this to us if requested. Where you are a corporate customer you confirm that in respect of each individual whose personal information you provide, you have obtained their consent to you providing this information and for it to be used as described above, and you can demonstrate this to us if requested.

46 Financial and market data, information and research

46.1 As part of the Service, you may have access to information or research produced by third parties (including James Brearley) – we are unable to guarantee its accuracy or completeness. The act of providing you with information produced by third parties should not be taken as our endorsement of (or agreement with) the content. By providing you with information produced by third parties in respect of an investment or other asset, we are not giving you investment advice, and we are not making a personal recommendation as to the merits (or otherwise) of any course of action (e.g. buy, sell or hold) in respect of that investment.

46.2 James Brearley will obtain financial and market data (e.g. the prices of shares and other investments) from various third parties including stock exchanges that James Brearley believes are reliable and competent. However, James Brearley cannot guarantee the accuracy, completeness, timeliness or correct sequencing of such data.

46.3 Your usage of the financial and market data, information and research described above (for the purposes of this clause 'data') is permitted only on the following basis:

- you accept that the data is the property of the suppliers of such data;
- you accept that no intellectual property rights over the data are transferred to you;
- in no circumstances shall you be entitled to publish, transmit, redistribute or otherwise reproduce such data in whole or in part to any person, entity, or third party, with the exception of your own financial adviser, legal adviser or accountant;
- you acknowledge and agree that the suppliers of the data shall have no liability to you in respect of the data - none of the third parties make or give any assurances or guarantees in relation to the data - the data is provided 'as is';
- you acknowledge and agree that neither Clubfinance, nor James Brearley, are responsible for any decision made or action taken by you in reliance upon the data or for the interruption of any data; and
- you acknowledge and agree that neither Clubfinance, nor James Brearley, nor the third party suppliers of data will be liable to you for any interruptions, inaccuracies, errors or omissions in the data or any losses which result whether directly or indirectly, other than any liability under the regulatory system, arising from fraud, in relation to personal injury arising from negligence, or any applicable law.

46.4 In relation to certain investment funds, the information provided may include specific arrangements we have in place with the fund management group regarding discounts from the normal fund charges. Please note that the fund management group may change or vary these discounts without notice. Neither we nor James Brearley accept any liability if you suffer higher costs as a result in changes in the terms offered by the fund management group. Any changes made by the fund management group are beyond both our and James Brearley's control.

47 Your reporting obligations

47.1 Major shareholding notifications - you will have an obligation to make a declaration (to the FCA and the Underlying Issuer) when your shareholding in a company reaches (or thereafter falls below) certain thresholds. This applies to all of your investments whether or not they are held within the Service.

47.2 This obligation is most likely to be relevant if you invest large amounts in smaller companies. The obligation may also be triggered if a company restructures in a way which changes the voting rights you have.

47.3 You are responsible for monitoring the level of your shareholding and making all relevant disclosures when your shareholding reaches or passes through a specific threshold level. Details of the rules and thresholds and the reporting procedure can be obtained from the FCA's website: www.fca.gov.uk.

48 Joint accounts and the rules of survivorship

48.1 Where your 'Application to Join the Frequent Trader Service' has been completed in more than one name (e.g., a joint account, trustees, etc.), and unless we agree to the contrary in writing, all account holders shall be treated as Joint Tenants. This means that in the event of the death of any person, the assets will pass to the surviving account holder(s). The Service will continue to be provided in accordance with the previous application form(s) unless we are given any new instructions by the survivor(s). We may request that a new application form be completed. It may be necessary to change the Nominated Bank Account.

48.2 For administrative purposes, a new account number may be allocated in the name of the survivor(s) and these Terms and Conditions will continue to apply to the new account.

48.3 You should inform us of the death of any person who was named on an application as soon as possible. However, we will require proof of death before we can proceed with the administrative arrangements outlined above.

49 Conflicts of interest – Clubfinance

49.1 Clubfinance may have a material interest or conflict of interest relating to transactions arranged. Clubfinance manages these potential conflicts to ensure your fair treatment through adopting a policy of independence. This is appropriate because Clubfinance provides an execution-only service in relation to the products of different companies. If we determine that we are unable to manage the conflict of interest or material interest through reliance on a policy of independence, we will decline to act for you.

50 Conflicts of interest – James Brearley

50.1 When James Brearley executes a transaction on your behalf, it could be:

- acting for an associate which is dealing for its own account by buying or selling an investment that you hold or are buying or selling;
- matching your transaction with one made on behalf of another client of Clubfinance or a client of James Brearley; or
- buying an investment where an associate of James Brearley is involved in a new issue, rights issue, take-over or similar transaction.

50.2 If an occasion arises where there is a conflict of interest between you and James Brearley, James Brearley will inform Clubfinance, and we will then inform you of this and obtain your consent before your Instruction to buy or sell investments is carried out.

50.3 James Brearley's full policy on Conflicts of Interest is available on request.

51 Commencement of the Agreement

51.1 As indicated on your 'Application to Join the Frequent Trader Service' the Agreement to these Terms and Conditions, subject to section 39, shall be effective from the receipt and our subsequent acceptance of your 'Application to Join the Frequent Trader Service'.

51.2 We reserve the right to reject your application without providing any reason.

51.3 The Agreement shall continue subject to section 54 'Termination'.

52 Changes to these Terms and Conditions

52.1 We may amend these Terms and Conditions (including the Frequent Trader Charges Schedule). If we intend to do so, we will contact you and explain the relevant changes. Such changes will become effective on the date we will set out when we contact you. Subject to clause 52.2 below, this effective date will be at least 30 days from when we contact you. We will only change these Terms and Conditions for the following reasons:

- to respond proportionately to changes in general law or decisions of the Financial Ombudsman Service;
- to meet regulatory (e.g. FCA rules or guidance) or HMRC requirements;
- to reflect new industry guidance and codes of practice which raise standards of consumer protection;
- to reflect changes in tax rates, new taxes, or changes to how a particular tax is applied, e.g. it may be determined that a charge to which VAT was previously not applicable, is now subject to VAT;
- to correct errors, inaccuracies or ambiguities;
- to make them clearer and/or more favourable to you;
- to reflect a reorganisation of group companies, or a change of Service provider;
- to provide for the introduction of new or improved systems, methods of operation, services or facilities;
- to proportionately reflect legitimate cost increases or reductions associated with providing the Service.

52.2 Any amendment which is made to reflect a change of applicable law or regulation may take effect immediately or otherwise as we may specify.

53 Transferring Agreement to these Terms and Conditions

53.1 Your Agreement to these Terms and Conditions is not transferable.

53.2 We may, after not less than 30 days' prior written notice to you, transfer our Agreement to provide the Service under these Terms and Conditions to another company or firm, which is authorised and regulated by the FCA at the time of the transfer. We will only do so provided that the Terms and Conditions provided by the company or firm to whom the Agreement is transferred will provide the same or equivalent protections to you as under these Terms and Conditions.

54 Termination

- 54.1 You may terminate the Agreement to provide the Service under these Terms and Conditions at any time, by providing us with written notice signed by all account holders using the 'Frequent Trader Account Closure Form'. Termination shall take effect upon the later of our receipt of your notice, and the point where no holdings other than cash balances remain in your account(s).
- 54.2 We may terminate the Agreement to provide the Service under these Terms and Conditions at any time, by providing you with not less than 30 days' written notice. In these circumstances, charges relating to transactions such as sales or transfers initiated and/or completed after the termination date will still be payable by you.
- 54.3 We may terminate the Agreement immediately if there is a valid reason to do so. We will let you know of this decision as soon as possible. In these circumstances, charges relating to transactions such as sales or transfers initiated and/or completed after the termination date will still be payable by you.
- 54.4 Where your account has a nil balance and is considered by us or James Brearley to be inactive (i.e. the account is not being used to buy or sell investments) we reserve the right to close the account without reference to you.
- 54.5 The Agreement will be terminated automatically if we cease to be authorised by the FCA.
- 54.6 Any fees, costs or charges that have accrued to the date of termination, including any account closure fee, as detailed on the Frequent Trader Charges Schedule, in force at the date of closure, will be payable by you.
- 54.7 All rights and obligations arising prior to the termination will apply. Termination shall be without prejudice to the completion of transactions already initiated. Such transactions will be completed as soon as is practicable.
- 54.8 In certain circumstances there are also cancellation rights which apply under the EU Distance Marketing Directive and FCA rules. For an initial period of 14 calendar days after completing your Application to Join the Frequent Trader Service, you have the right to cancel the Service. For an initial period of 14 calendar days after completing an application to open an ISA account, you have the right to cancel your ISA account. This can be done verbally or in writing to Clubfinance Ltd, PO Box 1036, Hemel Hempstead HP1 2WU. We will deal with your request to cancel as soon as is practical. This cancellation right applies only to the Agreement as a whole, or to your ISA account, and does not apply to individual transactions undertaken on your account(s). If you cancel within 14 calendar days, we will levy any applicable account closure fee as detailed on the Frequent Trader Charges Schedule in force at the date of cancellation. You will be obliged to pay for any investments and any charges for transactions prior to your request for cancellation, and pay any amount due at the time you cancel or terminate the Agreement as a whole, or your ISA account.
- 54.9 If an account is held in your sole name and we receive proof of your death, the Service to you will cease. However, your investments and cash will continue to be held within the Service, and we will then follow the instructions of your personal representatives (for example, the executors of your will). For administrative purposes, we shall establish a new account in the name of your personal representatives which will have a new account number and will be governed by these Terms and Conditions.
- 54.10 If you terminate the Agreement and wish to transfer investments to another nominee (e.g. another platform), you must initiate this process with your new nominee prior to termination, and inform us of this fact in your written notice of termination. If you are not transferring your investments to another nominee, your termination instruction can instruct us that any investments remaining in your account(s) are to be transferred into your own name (certificated), but please note that this is not possible for all investments in which case the investments will remain in your account(s). All investments must be transferred out, certificated, or sold by you for termination to be effective, and until termination is effective the account will remain open and relevant fees and charges and this Agreement will apply (note in particular sections 40 and 55). Once no investments remain in your account(s) and following receipt of the proceeds, all cash will be paid into your Nominated Bank Account. If any income (e.g. a dividend) is received in respect of your closed account following closure, this will automatically be paid into your Nominated Bank Account on a monthly basis. Note that closing an ISA in this manner will result in the loss of the ISA status for the affected funds. An amount of cash remaining in your account may be withheld to pay for outstanding fees such as the account closure fee – if any withheld amount is not sufficient, any outstanding balance will remain payable by you. Relevant transfer and dealing fees and charges will apply. Note that if a SIPP becomes available as part of the Service, separate account closure procedures will apply.

55 If you fail to pay what you owe

- 55.1 In the event that you fail to make any payment owed to us or James Brearley or deliver any investments by the due date or there is a debit balance on any of your accounts, James Brearley may retain any money, investment or other asset held for or due to you. If the debt or deficit remains outstanding for more than 15 Business Days, we will sell investments (generally from your largest holding(s) in your General Account) to offset your debt or cover the shortfall. We will do this by means of a sell instruction or instructions to raise enough to cover the debt or deficit, plus applicable dealing fees and government charges, plus 10%. The extra 10% is in case the price of the investment(s) is lower at the point of sale compared to the price used by the Online Service to automatically calculate the number of shares (or units etc.) to sell. This may mean that the extra raised is in excess of 10% of the debt or deficit if the price is higher at the point of sale. Any surplus will remain in your account as cash. If you do not have sufficient holdings in your General Account to clear the debt or deficit then we will sell investments from your ISA Account (generally from the largest holding(s)) to offset your debt or cover the shortfall. The usual charges specified on the Frequent Trader Charges Schedule will apply to the sale(s).
- 55.2 Selling investments in such circumstances could mean that you miss out on favourable market conditions – Clubfinance and James Brearley will not be responsible for any loss (or loss of opportunity) you suffer as a result of this action.
- 55.3 In addition, a third party may have similar rights to retain any money, investment or other asset held for or due to you in respect of any payment owed to them.
- 55.4 If an amount remains outstanding for more than 50 Business Days and there is no cash remaining on your account(s), and the only investments remaining are ones where a sale instruction cannot for the time being be given and accepted (e.g. they

are shares that are suspended or no longer listed), you will forfeit these investments and they will be removed from your account(s). We may at our discretion cancel all or part of the outstanding amount following the forfeiture.

56 Legal responsibilities

- 56.1 In relation to your use of the Service, our obligation to you is to comply with our obligations under these Terms and Conditions with the reasonable skill and care expected of a suitably authorised and regulated FCA firm.
- 56.2 Nothing in these Terms and Conditions will avoid any liabilities, responsibilities or obligations Clubfinance, or the Service provider has:
- under the regulatory system, including the Financial Services and Markets Act 2000 and the FCA's rules;
 - for death or personal injury caused by negligence;
 - for fraud (including fraudulent misrepresentation); or
 - any limit or other liability which it is unlawful to exclude or attempt to exclude under the law of England and Wales.
- 56.3 You will pay or reimburse all costs, expenses, demands and losses which Clubfinance or the Service provider incur in the lawful and proper exercise of our duties when providing the Service to you under the Agreement to these Terms and Conditions. Clubfinance and the Service provider will accept such costs, expenses, demands and losses only where these arise: from Clubfinance or the Service provider's breach of the Financial Services and Markets Act 2000 or the FCA's rules; or Clubfinance or James Brearley's negligence, fraud or intentional failure.
- 56.4 Except for death or personal injury caused by our negligent acts or omissions, we shall only be liable for any loss or expense which is a reasonably foreseeable consequence of a breach of the Agreement. Foreseeable means foreseeable to both you and us at the commencement of the Agreement. We shall not be responsible for indirect losses or expenses which happen as a side effect of the main loss or expense, and which are not foreseeable by you and us (such as loss of profits or loss of opportunity).
- 56.5 Except for death or personal injury caused by our negligent acts or omissions, we shall not be liable for losses that were not caused by any breach of these Terms and Conditions by us, our employees or agents.
- 56.6 A person who is not a party to this Agreement will have no rights to enforce any of these Terms and Conditions.
- 56.7 Unless caused by our or James Brearley's negligence, fraud or intentional failure (wilful default), neither we nor James Brearley will be responsible for any loss you incur if this arises through the following
- a) Changes in market conditions.
 - b) An error of judgement made in good faith on our or James Brearley's part or part of any employee, dealer, analyst, adviser, investment manager or agent used by us or James Brearley.
- 56.8 Where we or James Brearley accept an instruction from you to buy or sell an investment, neither we nor James Brearley will be responsible for any loss or loss of opportunity you incur if James Brearley are unable to execute the instruction due to the failure of any third party or third party system on which we or James Brearley are dependent, including but not limited to the disruption or suspension of the service provided by the third party and the loss of connection to the third party's system.
- 56.9 Where we or James Brearley accept an instruction from you to buy or sell an investment, neither we nor James Brearley will be responsible for any loss of opportunity you incur if they are unable to execute the instruction in good time because they are required to carry out a prerequisite administrative process, either where imposed by a third party or under the applicable legal system.

57 Interpretation and breach of these Terms and Conditions

- 57.1 If you or we do not exercise, or if you or we delay in exercising a right, power or remedy provided by these Terms and Conditions or by law, this will not mean that you or we have agreed to waive or give up that right, power or remedy.
- 57.2 If you or we exercise any right, power or remedy provided by law or under these Terms and Conditions, this will not prevent you or us from exercising any other right, power or remedy that you or we have.
- 57.3 If a court decides that any clause or part of any clause is not valid or enforceable for any reason, the remaining clauses will not be affected.

58 Governing Law

- 58.1 These Terms and Conditions are governed by English law and both you and Clubfinance agree to submit to the non-exclusive jurisdiction of the English Courts.
- 58.2 The information set out in these Terms and Conditions is based upon our understanding of current legislation, which may change in future.

ANNEX 1: ADDITIONAL TERMS FOR NISAs

1. These NISA Terms & Conditions should be read alongside the Clubfinance Frequent Trader Service Terms of Business as applicable at the time of applying to hold a NISA with the ISA Manager.
2. **The ISA Manager is James Brearley & Sons**, of PO Box 34, Walpole House, Unit 2, Burton Road, Blackpool FY4 4WX. James Brearley & Sons is a Member of the London Stock Exchange, Authorised and Regulated by the Financial Conduct Authority and a Member of the Wealth Management Association.
3. The ISA Manager will administer the NISA in accordance with the Individual Savings Account Regulations 1998 ("the Regulations") or as subsequently amended. In the case of any inconsistency between these Terms and Conditions and the provisions of the Regulations, the provisions of the Regulations will prevail. Failure to meet the obligations under the Regulations may cause the NISA to be void or need to be remedied by repair. Any such liability arising from the NISA being void or repaired will be borne by the investor.
4. The maximum amount that may be invested in a NISA is subject to limits set by HMRC for any particular tax year and this limit may change from one tax year to the next. Should the investor invest more than the rules allow or invest in non-qualifying investments then the NISA will be void or need to be remedied by repair. The ISA Manager will notify the investor if by reason of any failure to satisfy the provisions of the Regulations a NISA has or will become void.
5. Subscriptions into the NISA must be in cash (with the exception of stock arising from approved employee savings related share option or profit sharing schemes which may be transferred into the NISA in accordance with the Regulations). The NISA investor may invest cash in qualifying equities, government stocks and corporate bonds, unit trusts, shares in qualifying open-ended investment companies or shares in qualifying investment trusts.
6. The NISA will commence from the date the application and subscription are received by the ISA Manager.
7. Investments in the NISA will be held in the ISA Manager's nominee companies for and on behalf of the beneficial ownership of the investor and must not be used as security against any loan. Cash will be held by the ISA Manager as trustee and in accordance with the rules of the Financial Conduct Authority. Investors should note that as a consequence NISA investments are pooled with those relating to one or more other investors.
8. The ISA Manager may delegate any of the related functions or responsibilities, having been satisfied that anyone to whom such functions or responsibilities are delegated is competent to carry out the functions and responsibilities of this Agreement. This may specifically involve the use of an eligible custodian where investments may not always be held by the ISA Manager's nominee companies directly. At the investor's request the ISA Manager will provide the investor with a list of eligible custodians used in this regard. The investor should note that the use of such eligible custodians may not provide the investor with the same level of regulatory protection as is offered in the UK. There could be instances of different settlement, legal and regulatory requirements in relation to the separate identification of investments registered in this way. In the event of default by such an eligible custodian the ISA Manager will only accept responsibility for losses arising from fraud, wilful default or negligence on the part of the ISA Manager.
9. Details of all charges applicable to the NISA are shown on the Frequent Trader Charges Schedule in effect at the time the charges are incurred. Any alteration to charges will be notified to the investor and more information on charges is available in the Services Terms and Conditions.
10. Interest will accrue daily on cash held within the NISA as per the published rate in effect at the time the interest is accrued, accounting accordingly for any provisions of the Regulations relating thereto.
11. The investor authorises the ISA Manager to provide HMRC with all particulars of the NISA and its investments. The ISA Manager will make claims on behalf of the investor, liabilities for and relief from tax in respect of the NISA.
12. The ISA Manager will provide the investor with an annual valuation of the NISA as at 5th April each year, together with a report of all transactions and cash movements that have occurred during the previous 12 month period.
13. The investor has the right to transfer in, part or all of an existing NISA from another ISA Manager or request that the investments within the NISA be transferred out to another ISA Manager. Such a transfer out to another ISA Manager will attract a charge per individual investment as detailed in the Frequent Trader Charges Schedule in effect at the time the transfer out instruction is received. All fees and charges due up to the point of completion of the transfer out instruction must be paid to the ISA Manager.
14. During a cash transfer, funds will not be invested in the stock market. The ISA Manager accepts no responsibility for any potential or actual loss that the investor claims has occurred in such circumstances.
15. The NISA may be terminated by the investor giving the ISA Manager notice in writing, requesting the ISA Manager to either transfer all investments to the investor or to sell the investments and remit the resulting proceeds to the investor. Termination of the NISA will be effective when written notice is received by the ISA Manager and all benefits and relief from tax will cease immediately. All fees and charges due up to the point of termination of the NISA must be paid to the ISA Manager.
16. The ISA Manager may at its absolute discretion, terminate the NISA by giving one month's notice in writing to the investor.
17. If an investor dies the tax benefits cease immediately and the ISA Manager will arrange for the investments to be moved out of the NISA and held in a non-NISA nominee account to await further instructions from the appointed representatives of the deceased investor.
18. All transactions in the NISA will be effected under the Rules and Regulations of the London Stock Exchange or other applicable exchange, the Financial Conduct Authority or other regulatory bodies as applicable.
19. Any overdrawn debit positions occurring in the NISA will be addressed in line with the section headed "If you fail to pay what you owe us" detailed in the Service's Terms and Conditions. Failure within the NISA to meet the obligations under the Regulations in this respect may cause the NISA to be void or need to be remedied by repair. Any such liability arising from the NISA being void or repaired will be borne by the investor.
20. The investor may make an Additional Permitted Subscription into their NISA by completing the relevant form each time an Additional Permitted Subscription is made.
21. The Additional Permitted Subscription must not exceed the combined value of the investor's spouse or civil partner's NISA which they held at the date of their death. The combined value includes any income accrued, but not paid or credited to the NISA at the date of death.

23. The investor may make several Additional Permitted Subscriptions. However, these must not, in aggregate, exceed the combined value of the investor's spouse or civil partner's NISA as at the date of death.
24. Any application to make an Additional Permitted Subscription must be made in accordance with all of the requirements set out in the ISA Regulations. This includes any prescribed timescales.
25. The ISA Manager will not accept any Additional Permitted Subscription where it knows or suspects that the information provided by the investor is incorrect, false or does not satisfy any of the requirements set out in the ISA Regulations.
26. The ISA Manager offers a flexible Stocks and Shares NISA. The investor can withdraw cash from their Stocks and Shares NISA and replace it in part or in full, without the replacement counting towards the Investor's annual NISA subscription limit, providing the replacement is in the same tax year as the withdrawal. The investor may also transfer some or all of their money from another type NISA.
27. The ISA Manager will usually charge all NISA fees to the Investor's General Account. Where this places the General Account overdrawn and sufficient monies are available in the NISA, these will be withdrawn and moved to the General Account to cover the shortfall. Where insufficient monies are available in the NISA, the ISA Manager will apply the terms in section 55 of the Frequent Trader Terms Of Business, headed 'If you fail to pay what you owe'.

ANNEX 2: ADDITIONAL TERMS FOR JISAs

1. These Portfolio Junior ISA Terms & Conditions should be read alongside the Clubfinance Frequent Trader Service Terms of Business as applicable at the time of applying to hold a Junior ISA with the ISA Manager.
2. **The ISA Manager is James Brearley & Sons**, of PO Box 34, Walpole House, Unit 2, Burton Road, Blackpool FY4 4WX. James Brearley & Sons is a Member of the London Stock Exchange, Authorised and Regulated by the Financial Conduct Authority and a Member of the Wealth Management Association.
3. The "Registered Contact" will either be the person who has parental responsibility for the Eligible Child for whom the Junior ISA is held or the Eligible Child themselves if they are over 16 years old and have elected to become the Registered Contact. Only the Registered Contact can provide instructions on the Junior ISA and the ISA Manager will communicate concerning the Junior ISA only with the Registered Contact.
4. The "Eligible Child" will be the child for whom the Junior ISA is held until they reach their 18th birthday.
5. The ISA Manager will administer the Junior ISA in accordance with the Individual Savings Account Regulations 1998 ("the Regulations") or as subsequently amended. In the case of any inconsistency between these Terms and Conditions and the provisions of the Regulations, the provisions of the Regulations will prevail. Failure within the Junior ISA to meet the obligations under the Regulations may cause the Junior ISA to be void or need to be remedied by repair. Any such liability arising from the Junior ISA being void or repaired will be borne by the Registered Contact and Eligible Child.
6. The ISA Manager will require the Registered Contact to provide suitable documentation in order to verify the Eligible Child as part of the opening of the Junior ISA account. Such documentation may include, but will not necessarily be limited to, a valid passport or birth certificate. Any failure to provide this documentation will prevent the Junior ISA from being opened.
7. The maximum amount that may be invested in a Junior ISA is subject to limits set by HMRC for any particular tax year and this limit may change from one tax year to the next. The ISA Manager will inform the Registered Contact of the limits for each respective tax year where they have subscribed funds to the Junior ISA and further information on the limits is available on request from the ISA Manager. Should the Registered Contact invest more than the rules allow or invest in non-qualifying investments then the Junior ISA will be void or need to be remedied by repair. The ISA Manager will notify the Registered Contact if by reason of any failure to satisfy the provisions of the Regulations the Junior ISA has or will become void.
8. Any part of the subscription limit that is unused in any particular tax year is lost, it cannot be carried forward or back to other years.
9. The Registered Contact will ensure that the Eligible Child meets all of the prescribed criteria for holding a Junior ISA as applicable at any time, including but not necessarily limited to, not holding a Child Trust Fund, being resident in the UK, or if not being a child performing duties overseas as a Crown employee paid from the public revenue of the UK, or is married to, in a civil partnership with or a dependent of a Crown employee working overseas and paid from the public revenue of the UK.
10. An Eligible Child may only hold one stocks and shares Junior ISA at any one time.
11. The Registered Contact will provide the ISA Manager with all instructions relating to the Junior ISA. Under certain circumstances the Registered Contact may be changed, usually with the permission of the existing Registered Contact.
12. Once the Eligible Child is 16 years old they may choose to become the Registered Contact. If the Eligible Child chooses to become the Registered Contact then they must complete all of the relevant documentation and once the Eligible Child becomes the Registered Contact there can be no further change of Registered Contact.
13. Subscriptions received to the Junior ISA that result in the subscription limit for that particular tax year being exceeded will not be put into the Junior ISA and will be returned to the donor via the Registered Contact. Subscriptions that have been received and credited to the Junior ISA that are subsequently found to exceed the subscription limit for any particular tax year will be removed from the Junior ISA and will be paid to the Eligible Child or to an account in the name of the Eligible Child.
14. The Registered Contact understands that any subscriptions made to the Junior ISA are deemed to be a gift to the Eligible Child and cannot be repaid to the subscriber.
15. Subscriptions into the Junior ISA must be in cash. The Registered Contact may invest cash in qualifying equities, qualifying collective investment schemes and unit trusts, government stocks and corporate bonds with a minimum of 5 years to run until their earliest redemption date, shares in qualifying open-ended investment companies or shares in qualifying investment trusts.
16. The Junior ISA will commence from the date the application and subscription are received by the ISA Manager.
17. Investments in the Junior ISA will be held in the ISA Manager's nominee companies for and on behalf of the beneficial ownership of the Eligible Child and must not be used as security against any loan. Cash will be held by the ISA Manager as trustee and in accordance with the rules of the Financial Conduct Authority. The Registered Contact should note that as a consequence Junior ISA investments are pooled with those relating to one or more other Junior ISA and ISA investors.

18. The ISA Manager may delegate any of the related functions or responsibilities, having been satisfied that anyone to whom such functions or responsibilities are delegated is competent to carry out the functions and responsibilities of this Agreement. This may specifically involve the use of an eligible custodian where investments may not always be held by the ISA Manager's nominee companies directly. At the Registered Contact's request the ISA Manager will provide the Registered Contact with a list of eligible custodians used in this regard. The Registered Contact should note that the use of such eligible custodians may not provide the Registered Contact and Eligible Child with the same level of regulatory protection as is offered in the UK. There could be instances of different settlement, legal and regulatory requirements in relation to the separate identification of investments registered in this way. In the event of default by such an eligible custodian the ISA Manager will only accept responsibility for losses arising from fraud, wilful default or negligence on the part of the ISA Manager.

19. Details of all charges applicable to the Junior ISA are shown on the Frequent Trader Charges Schedule in effect at the time the charges are incurred. Any alteration to charges will be notified to the Registered Contact and more information on charges is available in the standard Services, Terms and Conditions.

20. Interest will accrue daily on cash held within the Junior ISA as per the published rate in effect at the time the interest is accrued, accounting accordingly for any provisions of the Regulations relating thereto.

21. The Registered Contact authorises the ISA Manager to provide HMRC with all particulars of the Junior ISA and its investments. The ISA Manager will make claims on behalf of the Registered Contact and Eligible Child, in respect of liabilities for and relief from tax in respect of the Junior ISA.

22. The ISA Manager will provide the Registered Contact with an annual valuation of the Junior ISA as at 5th April each year, together with a report of all transactions and cash movements that have occurred during the previous 12 month period.

23. The Registered Contact has the right to transfer all of a Junior ISA from another ISA Manager or request that the investments within the Junior ISA be transferred out to another ISA Manager. Such a transfer out to another ISA Manager will attract a charge per individual investment within the Junior ISA to be transferred as detailed in the Frequent Trader Charges Schedule in effect at the time the transfer out instruction is received. All fees and charges due up to the point of completion of the transfer out instruction will be payable to the ISA Manager at the rate of the fees and charges in effect at the time the transfer occurs.

24. During a transfer out of the Junior ISA cash funds will not be invested other than in cash and the ISA Manager accepts no responsibility for any perceived or actual losses that the Registered Contact or Eligible Child claims has occurred in such circumstances

25. On the date of the Eligible Child's 18th birthday the Junior ISA will automatically convert into a standard "adult" ISA. On conversion to an "adult" ISA the Eligible Child of the Junior ISA will need to become a full client of the ISA Manager in order to operate their "adult" ISA. This will involve the ISA Manager undertaking all necessary identity and money laundering checks as may be applicable at that time.

26. No withdrawals (other than to meet the ISA Manager's charges) are possible from the Junior ISA until it has been converted to an "adult" ISA on the Eligible Child's 18th birthday. Following the Eligible Child's 18th birthday only they will be able to withdraw money from the Junior ISA (as converted to an "adult" ISA). The exceptions to the restriction of no withdrawals from the Junior ISA are if the Eligible Child becomes terminally ill or if the Eligible Child dies (see clause 28 below).

27. Prior to the Eligible Child's 18th birthday the ISA Manager will inform the Registered Contact what the Eligible Child will need to do to allow them to continue putting in subscriptions after their 18th birthday. No further subscriptions will be able to be made to the Junior ISA from the date of the Eligible Child's 18th birthday.

28. Withdrawals may be made from the Junior ISA in the exceptional circumstances of the Eligible Child becoming terminally ill or if the Eligible Child dies. To make withdrawals if the Eligible Child becomes terminally ill, evidence of the illness will need to be provided to HMRC. On the death of the Eligible Child all tax benefits of the Junior ISA will cease and the value of the Junior ISA will form part of the Eligible Child's estate. The ISA Manager will arrange for the investments to be moved out of the Junior ISA to be held in a non-ISA nominee account to await further instructions from the appointed representatives of the deceased Eligible Child.

29. The ISA Manager will close the Junior ISA on the death of the Eligible Child, on the date of the Eligible Child's 18th birthday, on the transfer out of the Junior ISA to another ISA Manager, if the Junior ISA has to be voided or if the ISA Manager is required to remove the Junior ISA status by HMRC.

30. All transactions in the Junior ISA will be effected under the Rules and Regulations of the London Stock Exchange or other applicable exchange, the Financial Conduct Authority or other regulatory bodies as applicable.

31. Any overdrawn, debit positions occurring in the Junior ISA will be addressed in line with the section headed "If you fail to pay what you owe us" in the standard Services Terms and Conditions. Failure within the Junior ISA to meet the obligations under the Regulations in this respect may cause the Junior ISA to be void or need to be remedied by repair. Any such liability arising from the Junior ISA being void or repaired will be borne by the Registered Contact and Eligible Child.

32. Subscriptions to the Junior ISA should be made by cheque made payable to James Brearley & Sons JISA or payment may also be made using Debit Cards.