

# Personal Portfolio Service Terms and Conditions and Risk Disclosures

## Before you Invest

Before you invest it is important that you take into consideration your savings – including pension arrangements – other short and long-term savings schemes, life assurance and protection policies as well as your levels of indebtedness.

You should be prepared to invest your funds for a minimum of five years and preferably longer. Investors should be aware that past performance is not necessarily a guide to the future. The value of your capital will fluctuate and may fall as well as rise and you may not get back your original capital investment. On termination or withdrawal, the proceeds may be less than the capital invested.

If, having considered the above, you decide to invest, you should then decide the level of funds you wish to invest and your investment strategy. All investment decisions involve a degree of risk, and it is important to establish from the outset the degree of risk that is acceptable to you, given your capacity for loss, and to decide on your investment objectives. This should be achieved through discussion with your BRI Investment Advisor.

You should understand the general and specific risks associated with stockmarket investment. Section 2 contains information about the types of investment that we may buy for you, and the risks associated with those investments. You should satisfy yourself before you invest that these Investments are suitable for you in light of your circumstances and financial position. If in doubt, you should always seek professional advice.

### Attitude to Risk and Investment Objectives

After careful consideration of your financial situation, your investment requirements and goals, your capacity for loss and your willingness to bear investment risk, we will recommend a risk-based strategy that best matches those needs. We will manage your account on the basis of the strategy agreed with you or as varied with your agreement from time to time. Whilst your account will only hold one fund you will be able to see the underlying funds held within it which will contain a selection of investments by asset class and sector.

If your attitude to risk or investment objectives change, and you wish to amend them, you should notify us as soon as possible.

### Risk-based Strategies

BRI offer the following risk-based strategies:

#### **Cautious**

This is suitable for clients who are prepared to accept volatility in order to enhance the portfolio's income and growth potential and you are aware that small fluctuations in capital and income are possible. Typically, the cautious portfolio strategy would have an equity weighting of 30%.

#### **Cautious to Moderate**

You are prepared to accept volatility in order to enhance the portfolio's longer-term income and growth potential and you are aware that modest fluctuations in capital and income are possible. Typically, the cautious to moderate portfolio strategy would have an equity weighting of 45%.

#### **Moderate**

You are prepared to accept volatility in order to enhance the portfolio's longer-term income and growth potential and you are aware that moderate fluctuations in capital and income are possible. Typically, the moderate portfolio strategy would have an equity weighting of 60%.

## **Moderate to Adventurous**

You are prepared to accept volatility in order to enhance the portfolio's longer-term income and growth potential and you are aware that moderate to high fluctuations in capital and income are possible. Typically, the moderate to adventurous portfolio strategy would have an equity weighting of 70%.

## **Adventurous**

You are prepared to accept volatility in order to enhance the portfolio's longer-term income and growth potential and you are aware that significant fluctuations in capital and income are possible. Typically, the adventurous portfolio strategy would have an equity weighting of 80%.

## **Speculative**

You are prepared to accept significant volatility in order to enhance the portfolio's longer-term income and growth potential and you are aware that significant fluctuations in capital and income are possible. The entire portfolio may be invested in equities.

## **Contact Details**

Telephone: 01676 523550

Email: [invest@brigroup.co.uk](mailto:invest@brigroup.co.uk)

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

In writing: BRI Wealth Management plc, BRI House, Elm Court, Meriden Business Park, Coventry CV5 9RL.

We are incorporated in England & Wales under registration number 727301.

# Terms and Conditions and Risk Disclosures

## Contents

<b>Section</b>	<b>Page</b>
Section 1 - Terms that apply to Investment Advisory Services	4
Section 2 - Risk Disclosures	13
Section 3 - Definitions and Interpretation	16

These Terms comprise a number of sections.

**Section 1** contains terms specific to our Investment Advisory services.

**Section 2** contains information and risk warnings relevant to different types of investment, markets and investment techniques and is relevant to all clients.

**Section 3** explains some of the terminology we use.

# 1. Terms that apply to Investment Advisory Services

## About us

BRI Wealth Management plc is authorised and regulated by the Financial Conduct Authority (FCA) Our FCA registration number is 122499.

At all times reference to 'our' or 'us' or to 'we' or 'the Company' or 'BRI' shall mean BRI Wealth Management plc.

## Purpose of these Terms

The purpose of these Terms is to set out the basis upon which we agree to provide certain services to you, and your obligation in relation to such services. For your own benefit and protection, you should read these terms carefully before agreeing to them. If you do not understand any point please ask for further information.

We recommend that you keep a copy of these Terms for your records. The most up-to-date version of these Terms can be found on our website [www.brigroup.co.uk/terms](http://www.brigroup.co.uk/terms) or you could ask us to send you a hard copy.

These Terms and Conditions (Terms) cover investment advice services in relation to your BRI portfolio which is administered by Standard Life Wrap Services.

If you are subject to US tax, we cannot provide investment services to you. You must also inform us as soon as possible if you become a resident of the US or if your US tax status changes. We recommend that you seek independent legal advice if you are in any doubt about whether you are subject to US tax before opening an account.

Please sign the Letter of Engagement to confirm your consent to the Terms once you have read them. If you have any queries, please speak to your Investment Advisor or the Compliance Director.

## The Agreement

These Terms together with:

- a) the Letter of Engagement
- b) the Standard Life application form
- c) and any additional signed documents we require
- d) and any information on our charges

shall form a written legal agreement between you and us and set out the basis on which we will provide our services.

These Terms will become effective on the date on which we receive your signed Letter of Engagement. You confirm that you have authority to enter into these Terms and that the information you have provided is complete, accurate and up-to-date.

## Cancelling the Agreement

If you enter into this Agreement "at a distance" (without having face-to-face contact with us) you may have the right to cancel the Agreement within fourteen calendar days from the date on which you receive these Terms (the cancellation period).

Cancellation rights apply to individuals, including individuals holding joint accounts, but not to trusts, companies, charities or investment clubs.

If you exercise your cancellation rights, this will apply to the entire agreement and all services provided by us under the agreement. You must notify us in writing if you do not wish any specific fund or account (such as an ISA) to be cancelled, as you may lose benefits (including tax benefits) which, once lost, cannot be restored. If you wish any fund or account to be transferred rather than cancelled please provide us with details in writing.

If investment advice services have been undertaken by us before the expiry of the cancellation period, you agree

that these have been done at your request.

You may cancel these Terms at any time during the cancellation period. However, if any transactions have been carried out during the cancellation period, you will not have the right to cancel those transactions and you will be liable for any costs arising from them.

Separate cancellation rules apply to ISAs/JISAs. Please refer to Standard Life's Terms for further information.

To exercise your right to cancel a distance contract you must write to your BRI Investment Advisor or to the Compliance Director, BRI House, Elm Court, Meriden Business Park, Coventry CV5 9RL and notify us of your cancellation.

If you do not exercise your right to cancel we will provide the agreed services until our relationship is terminated in accordance with these Terms.

### **Services We Provide**

Your portfolio with Standard Life can be managed as a traditional stand-alone account or within the following types of investment wrapper:

- Individual Savings Accounts (ISAs)
- Junior Individual Savings Accounts (JISAs)
- Self-Invested Personal Pension Schemes (SIPPs)

Your BRI advisor will discuss with you which type of investment wrapper (if any) is most appropriate.

### **Client Category**

Unless we tell you otherwise, we shall treat you as a Retail Client for investment business. This means that you benefit from the highest level of investor protection under FCA rules.

There may be some circumstances where you meet the requirements to be classified as a professional client. If you would like to discuss this matter, please contact our Compliance Director.

### **Type of Service**

This service is only offered as an Investment Advisory Service.

We will advise you about the portfolio of cash and investments held by Standard Life and if you wish we may also advise you about your other stockmarket investments not held by us. Advice may be given to you at your request and may be given orally or in writing.

Where we give you investment advice, you will have final responsibility for the decision as to whether or not to act upon that advice.

As part of the advisory service we will carry out on-going monitoring of your portfolio and review its suitability in light of your attitude to risk and investment objective.

Because we are not providing advice on other retail investment products such as pensions and life assurance policies, our advice is considered restricted.

If you have a question or concern about any aspect of our services, please contact us at BRI Wealth Management plc, BRI House, Elm Court, Meriden Business Park, Coventry CV5 9RL.

### **Limitations in respect of our services - Capital Gains Tax**

We will not manage your portfolio with any consideration to your personal tax position.

### **Instructions**

We will accept general instructions from you either orally (by telephone and/or in person), in writing, by email or facsimile where we reasonably believe the instruction has been given by you. We will treat an instruction as genuine if we believe in good faith that the instruction is from you or an authorised person (for example, because it appears to have been signed by you or an authorised person or the security procedures have been completed) and if there are no circumstances we are, or should reasonably be, aware of that cast doubt on the authenticity of the instruction.

We shall have no liability for any instructions until they are received by us.

Instructions are effective when we receive them or – if we need to clarify them with you – when we have

received clarification from you. Where you give oral instructions we will acknowledge them orally. Otherwise we will acknowledge instructions by acting on them.

It may take time to act on instructions and we may need to clarify instructions. So you should always instruct us in sufficient time to meet any deadlines.

#### When We Can Act on Instructions

- a) We can act on instructions which are or appear to be from you; or from any person notified by you as authorised to give instructions on your behalf provided that you empower us to do so by completing a Third-Party Authority (available on request) or we are in receipt of a duly executed Power of Attorney.
- b) Where you empower someone else to give instructions on your behalf, you alone will be responsible for the instructions given by a person you have told us is authorised to give instructions for you and the manner in which an authorised person uses your account. We will continue to act on their instructions until we receive written notice from you that they are no longer authorised by you to give instructions.

#### When We May Refuse to Act on an Instruction

- a) We may refuse to act on an instruction which is or appears to be from you or any person authorised to give instructions on your behalf if, in our opinion, it would infringe applicable law or regulations. We are under no obligation to give any explanation.
- b) We may also refuse to act on an instruction where we believe that it may not be suitable for you.

Where you have empowered a third party to give instructions via a third-party authority, this is revoked as soon as we are notified of your death. We may also refuse to act on an instruction where we believe that it may not be suitable for you or is outside the scope of these terms and conditions.

We shall not be liable for any loss or any other consequence of our compliance with (a) and (b). If we refuse to act on an instruction we will give written notice of any such refusal.

### **Communications Between Us (Other Than Instructions)**

We may contact you and you may contact us using your or our latest:

- a) Address
- b) Email address; or
- c) Telephone number (including mobile phone number).

Your communications to us under these methods are only effective when we receive them. If your details change you must contact us.

We may also communicate with you by posting notices and information on our website.

All communications, notices, certificates, documents of title and remittances will be despatched or transmitted to you at the address shown in our records and at your own risk. Communications and notices shall be conclusive and binding on you unless your objection is received in writing within two business days of their despatch.

We may leave messages for you to contact us on an answering machine, or with the person answering the telephone, unless you tell us not to.

We may record or monitor telephone calls and electronic communications (for the purpose of training, checking instructions, verifying your identity and ensuring that we are meeting our service standards and Regulatory Requirements). These recordings may be used as evidence if there is a dispute.

In performing our duties under this Agreement, we may from time to time make unsolicited telephone calls for the purposes of discussing with you matters relating to your account. You agree that we may make such contact with you as we reasonably believe to be appropriate and that you will make yourself available for such purpose.

Where we are unable to contact you for the purposes of discussing with you matters relating to your account, you will not hold us liable for any costs, expenses, loss, damage or liability suffered or incurred as a result of action taken or not taken by us or not taken by us as a consequence.

### **Risk of Using Email Instructions or Communication**

There is no guarantee that electronic instructions and communications will be secure, virus-free or successfully delivered. We will have no liability to you if either we, you, someone you have appointed to receive communications do not receive an email sent to the last disclosed email address or if there is a breach of confidentiality as a result of a third party receiving or seeing an email.

### **Changes to your Contact Details or Status**

You must notify us with any changes in your status or information such as your address, email address or telephone number or changes that are relevant to your Tax Obligations. Some services may no longer be available if your status changes (for example, if you become resident in another country).

### **Risk-Based Portfolio Strategy**

Through careful consideration of your financial situation, your investment requirements and goals, capacity for loss and willingness to bear investment risk, we will recommend a risk-based portfolio strategy that best matches those needs.

You may select one of six different BRI strategies offered by Standard Life, each risk-based strategy will comprise a different composition of investments. This composition will be detailed in the relevant Fact Sheet and will be explained by your BRI Investment Advisor.

If your attitude to risk or investment objectives change, and you wish to amend them, you should notify us as soon as possible.

### **Suitability**

In providing an Investment Advisory service or giving investment advice to you, we are required by the FCA to obtain the necessary information from you regarding your knowledge and experience in the investment field relevant to the specific type of investment or service provided to you, your financial situation, your willingness to bear investment loss and your investment objectives, in order to assess the suitability of our advice and of the transactions to be entered into by us on your behalf. If you fail to provide any necessary information requested by us, we will not be able to provide you with investment advice.

Once your account is open we will also need to review the information we hold about you periodically to ensure it is still correct. It is important that you understand that it is your responsibility to notify us of any changes to your personal details, circumstances, risk profile and investment objectives.

We will contact you periodically about your account. If we do not receive any response from you, we will assume that you wish us to continue to provide you with the services set out in these Terms and that your risk-based portfolio strategy and investment objectives remain suitable.

In accepting responsibility for the merits or suitability of any advice, investment or transaction, we do so on the basis that we will exercise reasonable diligence, skill and care in the light of circumstances which are or should reasonably be known to us at the time.

### **Valuation and Reporting**

Your portfolio will be administered by Standard Life and they will agree with you the reporting frequency.

### **Making an Investment or Additional Subscription**

Please refer to the Standard Life's Terms and Conditions or speak to your BRI Investment Advisor.

### **Incomplete applications**

Where the application cannot be processed we will contact you to discuss the reason why. If we are unable to contact you for any reason whatsoever we may return the paperwork to you. We are not responsible for any loss, lack of investment performance or tax consequences caused by delays due to incomplete or inaccurate applications.

### **Transfers-in**

Please refer to Standard Life's Terms and Conditions or speak to your BRI Investment Advisor.

## **Trusts, Companies, Charities, Pensions and Investment Clubs (Account Opening and Instructions)**

We will usually expect all account holders (but at least two) to sign the Letter of Engagement. However, once the account is open you can nominate a person or persons who have full authority on behalf of the other(s) to give or receive instructions regarding the account. Obligations under the Agreement are joint and several and instructions from the nominated account signatories will bind all account holders.

## **Trusts, Companies, Charities, Pensions and Investment Clubs (Resignation, Appointment or Death)**

You must notify us of the resignation, death or appointment of a new account holder. When a new account holder is appointed, he or she will not normally be expected to sign the Letter of Engagement but nonetheless will be bound by these Terms. It is your responsibility to make a new account holder aware of these Terms and that they are bound by them.

## **Trusts (Investment Policy Statement)**

Where there is a requirement under the terms of the Trustee Act 2000 to provide an Investment Policy Statement and where a separate Investment Policy Statement has not been provided, the following wording constitutes a "policy statement" within the meaning of Section 15 (2) of the Trustee Act 2000 and is given by the signatories in compliance with their obligations hereunder. This Investment Policy Statement shall come into force on the trustees signing the Agreement declaration.

This Investment Policy Statement provides guidance as to how the asset management functions delegated to BRI Wealth Management plc by the trustees should be exercised. It has been formulated with a view to ensuring that the asset management function will be exercised in the best interests of the trust.

*The trustees intend that the real value of the trust assets is maintained and enhanced over the long term by investment in a fund comprising investments such as collective investment schemes, common investment funds, fixed interest securities, other securities and cash.*

*In order to meet these objectives, the trustees have appointed BRI Wealth Management plc as their agent to advise on the investments of the trust on the basis of the investment criteria as agreed and varied from time to time. The proportions invested in shares in collective investment schemes, common investment funds, fixed interest securities, other securities and cash shall be reviewed with BRI Wealth Management plc or your other professional financial advisor from time to time to provide guidance on the on-going suitability of that element of the investment policy.*

*The trustees will regularly consider whether there is a need to revise this Investment Policy Statement and keep under review the arrangements under which BRI Wealth Management plc acts as the trustees' agent.*

## **Client Money and Interest**

BRI will not hold client money on your behalf. Please refer to Standard Life's Terms and Conditions.

## **Custody of Investments**

BRI will not hold your client investments. Please refer to Standard Life's Terms and Conditions.

## **Placing Instructions with Standard Life**

Where we receive acceptable instructions from you which we are required to communicate to Standard Life we will endeavour to place these instructions with Standard Life within 5 business days following receipt.

## **Taxation and Legal Obligations**

We will not be liable for any taxation consequences of any transaction effected pursuant to the terms of this Agreement nor for any taxation charge incurred by you for any reason whatsoever.

You have sole responsibility for complying with any applicable laws and regulations and the management of your tax affairs.

We are not legal or tax advisors and we do not provide legal or tax advice. Whilst we may ask you questions about your personal tax position, explain the generic legal or tax position relating to products or services you and your professional advisors will remain responsible for the management of your tax and legal affairs.

Capital gains realised above annual allowances may lead to a capital gains tax liability which you will be required

to declare on your Self-Assessment Tax Return.

Where any publications or communications refer to a particular tax treatment, the taxation treatment depends on your individual circumstances, as well as the on-going availability of the tax reliefs, and may be subject to change in future.

Investments should be made on the basis of the underlying investment case and should not be driven solely by tax considerations.

### **Our Liability to You**

We accept liability for any loss to you resulting from our breach of this Agreement, but only to the extent it results from our negligence, wilful default or fraud.

For the avoidance of doubt, we will not be liable for:

- a) Any loss of opportunity whereby the value of any investment pursuant to this Agreement could have been increased or for any decline in the value of any such investment unless such loss or decline is the direct result of our wilful default, fraud, negligence or breach of the Agreement or that of any of our employees or directors.
- b) Any error of fact given or judgement made or any action lawfully taken or omitted to be taken by us pursuant to the Agreement unless such error or action is the direct result of our wilful default, fraud, negligence or breach of the Agreement or that of any of our employees or directors.

We warrant that professional indemnity insurance shall at all times operate in relation to cover for any wilful defaults, fraud, negligence or breach of the Agreement on our part.

### **Your Obligations to Us (Indemnity)**

Except in so far as a claim or demand results from our breach of this Agreement, negligence, fraud or wilful default, you irrevocably and unconditionally agree to indemnify us and to keep us indemnified from and against any and all liabilities, obligations, actions, proceedings, costs, claims, losses, damages, penalties, demands, expenses and disbursements of any kind or nature whatsoever which we may incur or which may be instituted against us as a result of or in connection with anything done or properly omitted to be done pursuant to the terms of this Agreement.

To help prevent fraud and protect your information, accounts and assets, you must:

- a) Keep your security information secret at all times and not disclose it to anyone.
- b) Take all reasonable care to prevent unauthorised or fraudulent use of your security information by others.
- c) Contact us without undue delay if you know or suspect that someone knows your security information or is impersonating you.

### **You hereby confirm that:**

- a) On the date these Terms come into effect you have reached the age of 18 years or over if you are a natural person and in any event have full capacity to enter into these Terms.
- b) Any information which you or other people authorised by you provide or have provided to us in respect of your financial position, domicile or other matters is accurate and not misleading in any material respect.
- c) You are willing and financially able to sustain a loss of funds.

### **Withdrawal Requests**

#### **Realising your Investments**

Where you ask us to process withdrawals on your behalf we will aim to process the liquidation of investments within 5 business days following receipt provided your instructions are acceptable to us.

We will deal with you as your agent and we will instruct Standard Life who will place the dealing instruction at the prevailing market price at the time the withdrawal is actioned. We will normally insist on withdrawal instructions being in writing but may at our absolute discretion accept these orally.

You acknowledge that in the case of withdrawals which require investments to be sold, the value of the

investment realised will be dependent upon prevailing market conditions and may be more, or less, than the value at which it was acquired.

Please refer to Standard Life's Terms and Conditions for further information.

### **Termination**

You are entitled to terminate these arrangements by giving us immediate written notice, as may we by giving you immediate written notice. You may retain the portfolio with Standard Life and appoint another Investment Advisor to advise you.

No penalty will become due from either you or us in respect of the termination of these arrangements; however, we may require you to pay our Investment Advisor fee for the whole of the period in which termination takes place as referred to in the Letter of Engagement and any additional expenses that we necessarily incur on termination of the Agreement.

The termination of these arrangements will not affect any outstanding order or transaction or any legal right or obligation which may have already arisen.

In respect of personal account holders, your death will not terminate this Agreement until we receive notice of it.

### **In the Event of Death**

From the date we receive notification of your death (we will usually require a registrar's copy Death Certificate) we will notify Standard Life who will place your account 'on hold' until a Grant of Probate has been issued and they have been instructed by your legal personal representatives.

We will liaise with your personal representatives and Standard Life so that your portfolio is dealt with in accordance with your wishes.

### **Our Charges**

Full details of our charges are set out in the Letter of Engagement that accompanies these Terms. These will also be confirmed to you by Standard Life.

### **Individual Savings Accounts (ISAs) and Junior Individual Savings Accounts (ISAs)**

For further information about Individual Savings Accounts (ISAs) and Junior Individual Savings Accounts (ISAs) please refer to Standard Life's Terms and Conditions.

### **Force Majeure**

If our performance of this Agreement is prevented or hindered in whole or in part by reason of any event, omission, accident or other matter beyond our reasonable control such as but not limited to the introduction of or any change to any law, currency, failure or breakdown in any machine or equipment, strikes and industrial disputes, market conditions affecting the execution or settlement of transactions, acts of God, civil commotion, riot, war, explosion, accident, flooding, hurricane, earthquake, or delays by third parties, we will be under no liability for any loss, damages or expense suffered by you as a result.

### **Complaints**

In the event that you are dissatisfied with any aspect of your account or of services provided by us, you should contact the Compliance Director who will try to resolve your complaint. A complaint can be made in writing, by telephone, by email or in person.

A copy of our internal complaints handling procedures is available upon request.

If we are unable to resolve your complaint or if you are dissatisfied with our final response you have the right to complain directly to the Financial Ombudsman Service, Exchange Tower, London, E14 9SR, or via 0800 023 4567 or [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

There is a statutory time limit for you to refer your complaint to the Financial Ombudsman Service which is usually within six months of you receiving our final decision letter.

### **Compensation Rights**

In the event of the Company's failure to meet any of its liabilities to you, you have rights to compensation under the Financial Services Compensation Scheme. The Scheme provides compensation in certain circumstances where an FCA authorised firm is unable to meet its liabilities to clients.

For further information about the Scheme and the compensation limits that apply, please contact: The Financial Services Compensation Scheme, 10th Floor, Beaufort House, 15 St Botolph Street, London, EC3A 7QU, or via 0800 678 1100 or [www.fscs.org.uk](http://www.fscs.org.uk).

### **Anti-Money Laundering**

We will need to verify your identity and permanent address in line with UK anti-money laundering legislation and the Proceeds of Crime Act 2002. We will do this by verifying your identity using an electronic check, the details of which will be retained on your file. The check will be undertaken by a reputable referencing agency and may leave a 'footprint' on your credit file but it will not affect your credit rating.

Where we are unable to verify your identity electronically, we will ask you to provide documents to establish your identity and these documents will need to be certified by an approved person.

### **Protecting your Personal Information**

To advise you properly we will need to collect information about your personal and financial circumstances. We take your privacy seriously and will only use your personal information to deliver our services and where required by law and where required by law. We are bound by the Data Protection Act 1998 which governs how we may use your personal information and provides you with certain rights in respect of your information.

Sometimes, we may need to pass your personal information to other organisations. For example, if you apply to take out a financial product or service, we will need to pass certain personal details to the product or service provider.

We give your information to and receive information from credit reference agencies and fraud protection agencies. We and other organisations may access and use information to prevent and detect fraud, money laundering or other crime. We may conduct these checks from time to time throughout our relationship, not just at the beginning.

Your personal information may be transferred electronically (e.g. by email or over the internet) and we, or any relevant third party, may contact you in future by what we believe to be the most appropriate means of communication at the time (telephone, email or letter).

The organisations to whom we may pass your details also have their own obligations to deal with your personal information appropriately.

You can ask for a copy of the information we hold about you by writing to us. A fee may be charged for this service as permitted by appropriate law or regulation.

### **Conflict of Interest**

Your attention is drawn to the fact that when we enter into a transaction for you, we, an associated company or some other person connected with us may have an interest, relationship or arrangement that is material in relation to the transaction or investment concerned. Where we are aware of such a situation, we will undertake all reasonable steps to protect your interests and ensure your fair treatment.

Where we are not satisfied that we can prevent such a conflict from potentially harming your interests we will disclose the nature of the conflict and, if appropriate, obtain your permission to proceed with the transaction or service.

We maintain a conflicts of interest policy identifying the circumstances that may give rise to a potential conflict of interest and how we will deal with it. If you would like further details please contact our Compliance Director.

From time to time we may attend training events funded and/or delivered by product providers, fund managers and investment platforms. These events are designed to enhance our knowledge and ultimately therefore enhance the quality of service we provide to our clients. Please ask us if you want further details.

### **Delegation**

We reserve the right to delegate any of our administrative or accounting duties under these Terms to another company where we reasonably satisfy ourselves that they are competent to carry them out.

### **General**

We warrant and undertake at all times to use all reasonable care and skill in the performance of our

duties to you under the terms of this Agreement.

Nothing in these Terms shall exclude or restrict any obligation which we have to you under any applicable regulations.

### **Variation**

We may amend the terms of this Agreement, our charges, or any other aspect of our services by sending you a written notice. We will give you a reason for the proposed change and a summary of any material changes.

Such changes will become effective on a date to be specified in the notice which must be at least ten business days after the notice is sent to you.

No amendment will affect any outstanding order or transaction or legal rights or obligations which may already have arisen and are outstanding.

### **Invalidity of Terms**

If any provision or term of these arrangements or any part thereof shall become or be declared illegal, invalid or unenforceable for any reason whatsoever, such term or provision shall be deleted from these arrangements and the remaining terms shall remain in place and binding on you. If any such deletion substantially affects or alters the commercial basis of these arrangements then we shall discuss any possible modification of these Terms with you.

### **Assignment**

You shall not assign or transfer your rights or obligations under these Terms without our prior written consent, and any purported assignment or transfer shall be void.

### **Serving Notice**

If you wish to serve notice on us under these Terms, or otherwise, you should do so by delivering a written and signed communication addressed to the Compliance Director at BRI House, Elm Court, Meriden Business Park, Coventry CV5 9RL.

If we serve notice on you this will be in the form of a written and signed communication to your last known address as shown in our records.

Notices sent by us shall be deemed to be received by you two business days after posting if sent by first class post to addresses within the UK, or seven business days if sent by airmail to addresses outside the UK.

Notices sent by you will be deemed to be received by us when we write to confirm their receipt.

### **Governing Law and Language**

These Terms are governed by and shall be construed in accordance with the laws of England.

Both parties submit to the jurisdiction of the English courts in connection with any matter or dispute. It is agreed that all documents and communications between us shall be in English.

## 2. Risk Disclosures

### Your Portfolio

The investments we advise on may contain the following investments in varying proportions, and it is important that you understand not only the risks affecting investments generally, but also the various characteristics and risks associated with the different asset classes. We have therefore set out risks under two headings: “General Risks” and “Asset Class Specific Risks”.

You should not deal in financial instruments unless you understand the nature of the contract you will be entering into and the extent of the exposure to risk. You should also be satisfied that the contract is suitable for you in light of your circumstances and financial position. Please contact your BRI or other professional financial advisor if you require further clarification or explanation of any of the risks mentioned below.

### General Risks

#### Variability of Returns

Investment values can be affected by a wide range of unpredictable factors. As well as stock-specific factors, these include market supply and demand, investor perception and sentiment, sector and economic factors, geo-political developments, financial crises, or disease pandemics. These factors can affect whole markets as well as individual investments by varying amounts. Investors should therefore be aware that investment values and the income derived from them will go down as well as up.

#### Taxation

The levels and bases of taxation can change and the taxation benefits associated with a particular type of investment may be withdrawn by changes in legislation. The tax treatment of an investment for individual clients is relevant only to the specific circumstances of each client, and there is no guarantee that these rates and the basis for taxation might not change in the future, which might lead to potential tax liabilities. Clients should therefore seek professional advice about the tax treatment of a particular investment product, and how their investments might affect their tax situation.

#### ISAs/JISAs

Any losses realised within an ISA/JISA cannot be offset against any potential capital gains you may incur elsewhere within a particular tax year.

#### Liquidity and Non-Readily Realisable Securities

We endeavour to advise you on assets in which there is a ready and liquid market. However, the available liquidity is subject to change, and in some cases liquidity might become limited or indeed non-existent, making either a sale or valuation very difficult or impossible.

#### Foreign Markets and Exchange

Foreign markets will involve different risks from UK markets. In some cases the risks will be greater. Movements in exchange rates may cause the value of an investment to fluctuate either in a favourable or unfavourable manner.

#### Investment Delay

During the time required to encash your BRI portfolio and transfer your cash to Standard Life and invest these funds you will be out of the market and may be disadvantaged if shares rise during this time.

#### Daily Price Changes

The day-to-day value of investments will fluctuate with supply and demand in markets. You may therefore have to sell your investments at a time when markets and prices are depressed. This may happen for a wide variety of reasons, including a change in economic expectations and factors that are specific to any individual holding.

### Asset Class Specific Risks

## **Cash**

Client Money is held subject to the relevant rules of the FCA at an approved bank or other credit institution. The return clients receive on cash is determined by the interest rate paid, which may vary. The capital value will not change, and a loss of capital would only occur in the event of a default by the bank or other credit institution concerned. In the event of a default you should be covered by the FSCS deposit protection scheme. For limits and eligibility please refer to [www.fscs.org.uk](http://www.fscs.org.uk).

## **Collective Investment Schemes (CIS)**

Investment in Regulated Collective Investment Schemes tends to be via either unit trusts, Open Ended Investment Companies (OEICs) or investment trusts. These schemes represent a collection of underlying investments in which investors are able to buy units or shares. As such, they represent an excellent way of investing relatively small sums of money as each unit or share represents a diversified portfolio and will therefore be less volatile than investing the same sum in an individual share.

They allow access to different markets, asset classes or themes – for example, UK Corporate Bonds, European Growth, or commodities – but, depending on the type of scheme, may go wider into derivatives, real estate or any other asset. Although therefore seen as a way to spread risks, the portfolio price can fall as well as rise and, depending on the objectives and investment decisions made, a Collective Investment Scheme may be exposed to many different risk types.

The price of a unit trust or OEIC is determined by the underlying net asset value of the investments held by the fund; hence the volatility of the fund price is directly related to the volatility of the price of the underlying investments. When buying or selling units, investors deal directly with the unit trust company as opposed to via the financial market. However, in the event of significant sales from a fund, underlying investments may have to be sold and then the constraints as mentioned for fixed interest and equities above apply.

The shares of an investment trust are traded on the stockmarket. The price is related to the value of the underlying investments, but because the trust is closed-ended (i.e. shares are not created or cancelled in response to investor demand such as with a unit trust or OEIC), the share price can deviate from the net asset value of the underlying investments as sentiment changes in respect of the trust, or the sector or economy in which it is focused. This can mean that volatility of investment trusts is magnified compared to unit trusts.

We endeavour to buy such investment trust shares for clients where there is a ready and liquid market. However, the available liquidity can change, and in extreme events the existence of such liquidity cannot be guaranteed.

## **Fixed Interest Securities (Debt Instruments/ Bonds/Debentures)**

Fixed interest securities are issued by governments, financial institutions or trading companies in order to gain access to capital. They represent an issue of debt by the institution concerned.

Fixed interest is held in the form of bonds and other instruments where the rate of interest return is fixed, i.e. paid at a pre-determined rate and date. Some fixed interest securities have a stated redemption date, where investors will receive back a stated 'par' value. This gives investors in such stock the security of knowing what they will receive and when, if the asset is held to redemption. Additionally, some fixed interest securities have a specific charge on assets owned by the issuer, thus reducing the risk of capital loss in the event of default.

Other fixed interest securities do not offer redemption at par value, perhaps instead offering the opportunity to convert into company shares, or simply paying the stated interest rate in perpetuity. In these cases, there is less security of capital as there is no redemption at par value.

There is a relationship between prevailing bank base rates and fixed interest capital values, where broadly speaking as base rates move (or indeed are expected to move), fixed interest capital values adjust in the opposite direction in order to maintain a comparable interest rate differential. Thus fixed interest capital values are likely to change if interest rates change, or are expected to change.

In addition, the market demands a higher interest rate as the perceived level of risk increases. Thus, capital values are also likely to change in the even of financial conditions of the issuer, or the economy generally, changing.

History shows that the volatility of fixed interest securities is related to the risk of the underlying issuer, and the capital security of the security. Fixed interest securities are traded via financial markets, and we endeavour to buy fixed interest securities for clients where there is a ready and liquid market. However, the available liquidity can change, and in extreme events the existence of such liquidity cannot be guaranteed.

## **Exchange Traded Funds (ETFs)**

ETFs are shares that are traded on a stock exchange and whose assets mirror the price movements of the underlying share portfolio of an index, sector or commodity, such as the FTSE 100, water sector shares or gold.

ETFs can replicate a very wide range of indices investing in everything from shares and property to more esoteric asset classes such as private equity, energy, commodities, infrastructure, property and water.

An ETF is a share which can be traded at any time of the trading day. Both unit trusts and ETFs are open-ended funds which means that they do not suffer from the problem of investment trusts, which can trade at a discount to the value of their underlying assets.

This means that the market price is close to the value of the underlying assets of the share.

As the underlying holdings of an ETF are openly traded securities, they will be vulnerable to market price fluctuations and the value of the investment may rise or fall in value and neither the capital nor any income generated is guaranteed.

Although ETFs have a low tracking error and will generally closely track an index, during times of market volatility the tracking error of an ETF may increase and it will not always be possible to precisely replicate the performance of an index.

ETFs can have 'counterparty risk' which relates to the way in which the ETF tracks the relevant index.

There are two tracking methods in general use by ETFs; the first method involves holding some or all of the components of the relevant index. For example, if a FTSE100 ETF holds all the underlying securities that make up the FTSE 100 Index, this would be a physical ETF with full index replication. In this case there would be no counterparty risk and there is full transparency of the underlying holdings and low tracking difference.

The other method is where an ETF does not physically hold the underlying assets but seeks to replicate index performance 'synthetically' through an over-the-counter (OTC) index swap transaction with a counterparty such as an investment bank. In this case, there is a risk that the counterparty could default, which could result in a loss not represented by the underlying index. BRI will generally only invest in physical ETFs.

## **Hedge Funds**

Investment in hedge funds can involve a high degree of risk. An investor could lose all or a substantial portion of their investment in any hedge fund. Most hedge funds are not regulated in any material fashion under the laws of any jurisdiction and therefore tend not to be supervised by any supervisory or regulatory body.

Many hedge funds utilise investment techniques involving leverage, short selling of securities and the use of derivatives. Such techniques and instruments magnify both the gains and losses which can be attributable to the relevant investment policies and practices.

Where we consider hedge funds appropriate we may do this via investment into direct hedge funds or via a fund of funds approach that invests in a portfolio of different hedge funds to provide broad exposure to the hedge fund industry and to diversify the risks associated with a single investment fund. Funds of hedge funds select hedge fund managers and construct portfolios based upon those selections.

## **Property**

Investment in property can be a very useful method of diversifying a portfolio as it historically has a low correlation to equities and fixed interest. Investment can be made into multiple sectors including residential, commercial and infrastructure. Methods of investing in property include purchasing shares in open-ended investment companies and real estate investment trusts. The asset class is often chosen for its significant yield from rental income. However, property can be, by its nature, less liquid than equities. This lack of liquidity can lead to deferral periods (sometimes called "deferment periods") where a fund manager decides to protect the overall value of a fund by temporarily preventing investors from withdrawing their money, or limiting the extent of withdrawals. Property is a cyclical asset, meaning its value goes up and down, and the returns it produces increase and decrease over time.

# 3. Definitions and Interpretation

**In these Terms the following words and phrases have the following meanings:**

**“Account”**

The account or accounts opened by us for you in relation to a particular service.

**“BRI Investment Advisor”**

Means any financial intermediary who

a) is authorised under FSMA

b) provides you from time to time with financial and investment advice

**“Business Day”**

A weekday, excluding public and bank holidays in England, when the clearing banks in London are open for business.

**“Custodian”**

Is defined in accordance with the rules of the FCA but in respect of this agreement is Standard Life plc.

**“Discretionary Investment Manager”**

Means an investment manager who manages assets either on or off the Standard Life platform. A Discretionary Investment Manager must be authorised by the FCA and will normally act in conjunction with your Investment Advisor. In this case the DFM Is BRI Wealth Management PLC.

**“Financial Conduct Authority (FCA) and FCA Rules”**

Means BRI’s current regulator and the rules it issues pursuant to its rule-making powers under the FSMA2000, which includes the rules of the FCA handbook as varied from time to time.

**“FSCS”**

The Financial Services Compensation Scheme.

**“HMRC”**

HM Revenue & Customs.

**“Investment”**

Means “Designated Investment” as defined by the Rules of the FCA, and includes securities such as stocks and shares, debentures, government and public securities, loan stocks, warrants, units in collective investment undertakings and CREST depository interests.

**“ISA”**

Means an Individual Savings Account which contains the stocks and shares component of an ISA and which is designated as an ISA under the Individual Savings Account Regulations 1998 (as amended or updated from time to time).

**“ISA Manager”**

Means a person authorised in accordance with Treasury Regulations to manage or to provide an Individual Savings Account.

**“ISA Regulations”**

Means the Individual Savings Account Regulations 1998 (as amended or updated from time to time).

**“JISA”**

Means a Junior Individual Savings Account which contains the stocks and shares component of a JISA and which is designated as a JISA under the Individual Savings Account Regulations 1998 (as amended or updated from time to time).

**“JISA Manager”**

Means a person authorised in accordance with Treasury Regulations to manage or to provide a Junior Individual Savings Account.

**“JISA Regulations”**

Means the rules contained within the Individual Savings Account Regulations 1998 No.1870 and subsequent Amendment Regulations.

**“Letter of Engagement”**

Means the formal agreement between you and BRI which covers the investment services being provided.

### **“Personal Representative”**

Means:

- a) the individual who has obtained probate, confirmation, letters of administration or their equivalent on your death, or who has satisfied us that they intend to, and who has the power to give us competent Instructions relating to your estate; or
- b) the individual whom we have been reasonably satisfied it is legitimate for us to take Instructions from in relation to your estate after your death and after we have satisfied ourselves that there is no person willing and able to apply for the authorisations normally required by law to administer your estate.

### **“Retail Client”**

Means a client who is not an Eligible Counterparty or a Professional Client as defined by the Rules.

### **“Retail Investment Product”**

A retail investment product as defined in the glossary of the FCA rules, which in summary includes:

- a life policy;
- a unit in a collective investment scheme;
- a stakeholder pension scheme;
- a personal pension scheme;
- an interest in an investment trust savings scheme;
- a security in an investment trust;
- any other designated investment which offers exposure to underlying financial assets, in a packaged form which modifies that exposure when compared with a direct holding in the financial asset;
- a structured capital-at-risk product.

### **“Risk Profile”**

Your attitude to risk selected by you from the options offered by us.

### **“Terms and Conditions”**

Means the terms and conditions set out in this document, as amended from time to time.

If you would like an explanation of any other word or phrase used in these Terms, please contact your usual BRI contact.