



BRI Wealth
Management PLC

Portfolio Management Services
Terms and Conditions and
Risk Disclosures

Terms and Conditions and Risk Disclosures for the Bespoke Portfolio Service

The Managed Portfolio Service is provided via Third Party Platforms. The Terms relating to the MPS will be provided by the platform.

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These Terms comprise a number of sections.

Section 1 contains terms that apply to the Bespoke Portfolio Service. This service is only open to retail clients who are resident in the UK.

Sections 2 & 3 contain terms specific to ISAs and JISAs.

Section 4 contains information and risk warnings relevant to different types of investment, markets and investment techniques.

Section 5 explains some of the terminology we use.

If you require **online access** to view your portfolio, we will provide you with separate terms governing the provision of this service.

These Terms and Conditions (Terms) cover investment advice, investment management and dealing services and apply to all types of accounts.

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 Account Opening Form or ISA/JISA Application Form and return them to us to confirm your consent to the Terms once you have read them. **If you are an existing client and you are not applying for a new product you do not need to sign and return any documents.** If you have any queries, please speak to your Advisor or the Compliance Director.

1. Terms that apply to the Bespoke Portfolio Service

1.1 About Us

BRI Wealth Management plc is authorised and regulated by the Financial Conduct Authority (FCA) and is a HM Revenue & Customs approved ISA and JISA manager. Our FCA registration number is 122499.

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

BRI Wealth Management has its registered office at BRI House, Elm Court, Meriden Business Park, Coventry CV5 9RL. We are incorporated in England & Wales under registration number 727301.

1.2 Your Financial Advisor

At all times, reference to 'Financial Advisor' shall mean the firm or individual responsible for introducing you to BRI and in the case of the Indirect BPS, the firm or individual responsible for ensuring the product is and remains suitable for your needs.

1.3 Purpose of these Terms

The purpose of these Terms is to set out the basis upon which we agree to provide 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.

These Terms together with:

- (a) The Account Opening Form or ISA/JISA Application Form
- (b) and any additional signed documents we require
- (c) and any information on our charges, and interest rates

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 upon which we receive your fully completed Account Opening Form or ISA/JISA Application Form. 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.

For existing clients, these Terms replace the earlier Terms, with effect from ten business days after you receive them.

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 or you could ask us to send you a hard copy.

1.4 Cancelling the Agreement

The right to cancel does not apply to existing clients.

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 management, and/or dealing 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 clause 2.2 and 3.3 for further information.

To exercise your right to cancel a distance contract, you must write to your BRI advisor or 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.

1.5 Client Category

We shall class you as a retail client unless we agree with you otherwise. Retail clients 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.

1.6 Bespoke Portfolio Service (BPS).

1.6.1 Direct Service

BPS Direct is a service whereby we manage investments for you on either a discretionary or advisory basis. BRI will remain responsible for assessing your investment objectives and attitude to risk, and then constructing and maintaining a suitable BRI portfolio that matches these objectives. Your Financial Advisor may still be involved and provide input to the process; however, the responsibility for the management of the portfolio rests with us.

Clients who elect for the BPS Direct Service will receive an investment proposal and suitability report, to consider and discuss with their Financial Advisor, which will set out our recommendations and how they meet your investment objectives.

1.6.2 Indirect Service

BPS Indirect is a service whereby we manage investments for you on a discretionary basis, as instructed by your Financial Advisor. Your Financial Advisor is responsible for assessing your investment objectives and attitude to risk, and choosing a suitable portfolio strategy that matches these objectives. Your Financial Advisor will have on-going responsibility for ensuring that your BRI portfolio remains suitable for you.

For the avoidance of doubt, we will not be responsible for advising you that your portfolio remains suitable for you. We will be responsible for managing the portfolio in accordance with your chosen portfolio strategy. If another BPS portfolio strategy may be more suitable for you, it is your Financial Advisor's responsibility to advise you about this and, if appropriate, instruct us to change the strategy we use to manage your portfolio.

Clients who elect for the BPS Indirect Service will receive an investment proposal to consider and discuss with their Financial Advisor.

When you make an initial investment, it will be invested in accordance with the asset allocation strategy for that portfolio type.

If your situation changes, your Financial Advisor can choose to link your portfolio to a different, more appropriate portfolio strategy. BRI will rebalance your holdings accordingly.

1.7 Services We Provide

Your portfolio 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)
- Small Self-Administered Schemes (SSASs)
- Personalised Offshore Investment Bonds
- Personalised Onshore Investment Bonds

For the Direct BPS, a BRI advisor will discuss with you which type of investment wrapper is most appropriate. If you choose the Indirect BPS, this will be determined by your Financial Advisor.

1.7.1 We offer the following management services:

(a) Discretionary Management Service

This service is available for both the Direct and Indirect BPS products.

We will manage for you, on a discretionary basis, the portfolio of cash and investments held by us. 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. Subject to agreeing with you and complying with your general investment strategy, we shall have full authority at our discretion without prior reference to you to enter into any kind of transaction or arrangement for your account in or relating to, or to advise you about, the investments subject to these Terms; or

(b) Advisory Management Service

This service is available for the Direct BPS service only.

We will manage for you, on an advisory basis, the portfolio of cash and investments held by us, 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. Subject to agreeing with you and complying with your general investment strategy, we shall have your authority to advise you to enter into any transaction or arrangement in or relating to the investments, subject to these Terms.

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 Objectives.

1.7.2 Limitations in respect of our services

You should note the following limitations regarding the scope of services we provide under this agreement:

We will not provide any services relating to direct investment in futures, options or contracts for differences involving margin.

We will not provide any facility for stop loss trading (in broad terms, a facility which requires an investment to be sold when it reaches a certain price or falls by a certain percentage and which is designed to limit an investor's loss on an investment position). We will not provide such a service in relation to individual investments, a Fund, or your portfolio as a whole.

We will not sell investments on your behalf if we know this will result in you having a short position. A short position arises where a person has contracted to sell investments that he does not currently own.

1.8 Portfolio Strategies

A unique feature of the BPS service is the range of portfolio strategies available to you, which are: Cautious, Cautious to Moderate, Moderate, Moderate to Adventurous, Adventurous, and Speculative.

Each portfolio strategy will comprise a different composition of investments. For BPS Direct, BRI will advise you on the most suitable portfolio strategy; for BPS Indirect your Financial Advisor will decide.

Your selected portfolio strategy will comprise a different composition of investments. This composition will be detailed in the relevant Fact Sheet and will be explained to you by either BRI or your Financial Advisor.

At all times, your portfolio's selected risk profile will apply to your portfolio as a whole (i.e. the overall objectives and risk presented by your entire portfolio will be considered and not the objectives and risk attaching to each and every investment contained in the portfolio).

If you wish to amend your portfolio strategy, you should notify us as soon as possible.

1.8.1 Portfolio Strategies

(a) Cautious

You are prepared to accept volatility in order to enhance the portfolio's longer-term income and growth potential and are aware that small fluctuations in capital and income are possible. Typically, the cautious portfolio strategy would have an equity weighting of 30%.

(b) Cautious to Moderate

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

(c) Moderate

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

(d) Moderate to Adventurous

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

(e) Adventurous

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

(f) Speculative

You are prepared to accept significant volatility in order to enhance the portfolio's longer-term income and growth potential and are aware that significant fluctuations in capital are possible.

The entire portfolio might be invested in equities.

1.8.2 Restrictions

If you wish any investment limits or restrictions to apply, please tell us. You may vary them from time to time, by agreement with us. If you do not indicate any restrictions, we assume there are none. You should be aware that it may not be possible to comply with your investment restrictions where we deal in collective investment schemes, as we may not always know the underlying holdings of the scheme.

Where you place investment restrictions on your portfolio you should note that it might reduce the likelihood of your overall portfolio meeting your chosen investment objectives and this may also affect investment performance.

1.9 Suitability

1.9.1 Direct Service

In providing either a discretionary or advisory management service or giving investment advice to you, we are required by the FCA to obtain the necessary information from you regarding your knowledge of and experience in the investment field, relevant to the specific type of investment or service provided to you. Also, your financial situation 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 or enter into any transactions on your behalf.

Once your account is open, we will also need to review the information we hold about you periodically to ensure that 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 for us to continue to provide you with the services set out in these Terms, and that your portfolio strategy remains suitable.

Notwithstanding the above, if we decide, at our absolute discretion, that we no longer have up-to-date information to enable us to meet our obligations, we may decide to continue the management of your portfolio on a reactive basis only, taking any action we deem necessary on a reasonable endeavours basis.

If you instruct us to effect transactions which we do not recommend, we will only accept your order on an execution-only basis; i.e. we will not advise on the merits of the transaction or be responsible thereafter for monitoring or advising on the on-going suitability of the investment.

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.

1.9.2 Indirect Service

Your Financial Advisor is responsible for choosing a suitable portfolio strategy that matches your investment objectives after considering your financial situation, your investment objectives and your knowledge of and experience in the investment field relevant to the specific type of investment or service provided to you.

Once your account is open, your Financial Advisor will need to review the information they hold about you periodically, to ensure that it is still correct and that the portfolio we manage for you remains suitable. It is important that you understand that it is your or your Financial Advisor's responsibility to notify us of any changes to your investment objectives and risk profile, and if a new portfolio strategy is more suitable for you.

Our responsibility is to ensure that the portfolio we construct and manage is commensurate with the portfolio strategy type you and your advisor have chosen.

1.10 Valuation and Composition of Portfolio and Reporting

If you wish us to take over the management of an existing portfolio or other investments held by you, or elsewhere, we will confirm to you in writing the value and composition of your portfolio at the time we take it over.

Unless otherwise agreed with you or required by the regulations, we will report to you as follows:

1.10.1 Notification of Transactions and Statements

- (a) If you opt for the discretionary managed service we will not send you contract notes in relation to transactions but, instead, send you a six-monthly summary with your six-monthly valuation. If you opt for the advisory managed service we will arrange for you to receive notification of transactions within one business day of the trade being carried out. Where the trade confirmation is received by us from a third party, we will send the confirmation no later than the business day following such receipt.
- (b) Statements will show details of all sales and purchases effected for the account since the date of the previous statement (if any), together with details of income received and a statement of the value of money held as Client Money for you.

1.10.2 Valuation of your Portfolio

- (a) We will provide you with a valuation of your portfolio and other related information on a quarterly basis. This will include a measure of performance and relevant benchmark(s) for comparison purposes.

The report will advise on the basis of valuation. This will normally be closing mid price for equities, government and other securities and closing bid price for unit trusts and offshore funds.

Any other assets which cannot be valued at official prices will be valued at a fair value assessed by us.

- (b) For leveraged portfolios, we will provide you with a valuation of your portfolio and other related information on a monthly basis.

Any inaccuracies in your transaction summaries, statements or valuation should be reported to us promptly, failing which we shall be entitled to treat them as conclusive.

1.11 Making an Investment or Additional Subscription

Both lump sum, ad-hoc and regular savings are available and must be made using the appropriate form, subject to minimum investment levels. These are currently:

Bespoke Portfolio Service: £100,000 initial;
ad hoc/regular subscriptions of £1,000 minimum*

*We will accept a lower minimum regular subscription to the BRI ISA. This will be a minimum of 1/12 of the annual stocks and shares ISA allowance.

BRI will accept payments in the following forms:

- (a) personal cheque, including joint accounts;
- (b) building society cheque with your name on it;
- (c) transfer-in payment from another manager;
- (d) payment issued from a client money account where the Financial Advisor is authorised to hold client money;
- (e) wire payment or BACS provided this is from you, your spouse or legal partner.

Payments from other parties may be accepted, subject to the appropriate anti-money laundering evidence. BRI reserves the right to refuse any payment where we determine insufficient details have been provided.

Additional subscriptions can be accepted on an ad hoc basis or set up to be sent at a specific time each month (usually 10th of the month). In addition to the Account Opening/Application Form, your Financial Advisor is responsible for ensuring that you complete the necessary standing order form and that this is sent to your bank.

We will not acknowledge each subsequent monthly payment; however, these details will be provided in the statements that are sent to you periodically.

For discretionary clients, and unless otherwise agreed with you, deals will be placed at our discretion in accordance with prevailing market conditions. Deals may be placed at once or in tranches. In some cases we will phase the money into the market with a view to gaining a benefit from market timing and 'pound cost averaging' through buying at a range of entry points.

1.11.1 Incomplete applications

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

1.11.2 Transfers in

Transfers in may be made in cash and/or re-registration (in-specie) subject to BRI being in a position to re-register and hold the existing investments. If we are unable to take particular investments we will contact you.

Re-registered investments may be sold by us and the resultant cash, together with any other cash transferred in, will be invested into investments which are consistent with your chosen attitude to risk and investment objective.

1.12 Instructions

1.12.1 We will accept general instructions from you either orally (by telephone and/or in person), in writing, or by email 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.

We will not, however, accept dealing instructions from you by email unless we have agreed this with you in advance.

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.

1.12.2 When We Act on Instructions:

- (a) We can act on instructions which are, or appear to be, from you or any person notified by you as authorised to give instructions on your behalf provided that either 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 the 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.
- (c) we will also act on the instructions of your Financial Advisor unless you say otherwise.

1.12.3 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, without being required to give any explanation if, in our opinion, it would infringe applicable law or regulations.
- (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 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.

1.12.4 Corporate Action Instructions

Where corporate actions affect more than one holder we will allocate the investments so affected to particular clients in such fair and equitable manner as we consider reasonably appropriate.

Advisory Management Service

For the Advisory Management Service, we will endeavour to obtain instructions from you before arranging to proceed in takeover situations, other offers, capital reorganisations or exercising conversion or subscription rights on your behalf.

Provided we receive your instructions within the time stated by us, we will act in accordance with any such instructions. If we are unable to obtain instructions from you or we do not receive your

instructions within the time stated by us, we will be entitled to exercise our absolute discretion (but are not required to do so) in relation to the above-mentioned corporate events when it appears in our judgement to be advantageous to you to do so.

Where you do not provide instructions within the time limit we will usually accept either the Company's or our default option. Such decisions will be taken based upon the circumstances prevailing at the time.

Where you fail to provide instructions (whether on a timely basis or at all) we will not be liable for any costs, expenses, loss, damage or liability suffered or incurred as a result of action taken or not taken by us in good faith.

1.13 Communications Between Us (Other Than Instructions)

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

- (a) address;
- (b) telephone number (including mobile phone number); or
- (c) email address.

Your communications 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 and shall be conclusive and binding on you, unless your objection is received in writing within two business days of their despatch.

We may record or monitor telephone calls and electronic communication (for the purpose of training, checking instructions, verifying your identity and ensuring that we are meeting your 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 as a consequence.

1.13.2 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, your Financial Advisor or 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.

1.13.3 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).

Linked Accounts – Single Financial Relationship

You can ask us to treat you as if you have a single financial relationship with other clients (usually other members of your family). Where we do this, you and they authorise us to share with each of you information about the others and their accounts (including online access). Under such arrangements, you may give instructions in relation to the others' accounts or investments and we will not seek confirmation from the holder of the account before carrying out these instructions.

1.14 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 to 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.

1.15 Joint Accounts, Trusts, Companies, Charities, Pensions and Investment Clubs (Notices and Communications)

We will send notices and communications to the nominated individual or trustee. You can also ask us to send copies of notices and communications to other named individuals.

1.15.1 Joint Accounts (Account Opening and Instructions)

We require all joint account holders to sign the Account Opening Form. However, once the account is open, you agree that each joint holder has full authority on behalf of the other(s) to give or receive instructions regarding the account and these instructions will bind all other account holders.

Where we receive conflicting instructions from two or more joint account holders we will not act on them. We will only accept and act on instructions which do not conflict with the instructions of another joint account holder.

You are advised to consider your tax position before setting up a joint account.

1.15.2 Joint Account (In the Event of Death)

If you open a joint account this will usually be as a joint tenancy. This means that, upon death of either or any joint holder to this Agreement, the entire interest in the account shall be vested in the surviving joint holder(s). If you would like to operate your joint account as a tenancy in common – i.e. the assets belonging to the deceased person are passed to their estate and not to the surviving joint holder(s) – please contact us and we will arrange for this to be put in a supplementary agreement.

1.15.3 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 Account Opening Form. 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.

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

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 Account Opening Form 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.

1.15.5 Arrangements involving a third-party provider

Where you are the beneficiary or policyholder in respect of a portfolio which is legally owned by a third-party provider (e.g. SIPP or Offshore Bond provider), we may also be bound under a contractual agreement with the third-party provider. In some circumstances, the Terms that we have with a third party may take precedence over the Terms of our agreement with you.

In particular the third-part Terms may:

- a) instruct us to act without reference to you
- b) prevent us from accepting or paying monies or assets directly from/to you
- c) place restrictions on the investments permitted within the portfolio

In such circumstances:

- a) custody, dealing and settlement services are provided directly to your third-party provider
- b) your eligibility for, and access to, compensation under the FSCS may be different. You should consult your third-party provider for details of the compensation arrangements that apply to their product

1.15.6 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 portfolio comprising investments such as: shares in companies quoted on a recognised stock exchange, 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 manage 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 companies quoted on a recognised stock exchange, collective investment schemes, common investment

funds, fixed interest securities, other securities and cash shall be reviewed with BRI Wealth Management plc or your other 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.

1.16 Cash Deposits and Interest

Uninvested cash will be deposited, subject to the relevant rules of the FCA, at one or more approved banks. We will hold such money in pooled client accounts at a number of UK banks. For the avoidance of doubt, all such deposit accounts should be considered as a single pooled client account.

If appropriate, client money may be held in a client bank account outside the United Kingdom and in a currency other than Sterling. Where we hold client money with an approved bank or credit institution outside the UK, the legal and regulatory regime applying to the approved bank may be different from that of the UK and, in the event of a failure of the bank, your uninvested cash may be treated in a different manner from that which would apply if the uninvested cash was held by a bank in the UK.

You authorise us to allow another person, such as a stockbroker, custodian, clearing house, intermediate broker or an exchange, to hold or control client money for the purpose of a transaction.

We shall take reasonable care in the selection, appointment and periodic review of any bank or credit institution; however, we shall not be liable in the event of any default of an approved bank or credit institution reasonably relied upon by us.

We cannot ensure that you would not lose any money if the approved bank or other person enters administration, liquidation or similar procedure. If the approved bank or other person is unable to repay all of its creditors, your Client Money would be pooled with that of our other clients with that entity and any shortfall would be borne by all clients of that pool proportionately. The likelihood of any shortfall may be affected by whose rights have priority upon insolvency and the operations of any compensation scheme. In the event of our administration or insolvency, your money will be subject to the Client Money Rules, so you will be entitled to share in any distribution under the Client Money Rules.

1.16.1 Qualifying Money Market Fund

Where permitted by Regulatory Requirements you authorise us to place money in a qualifying money market fund (which is a type of Collective Investment Scheme which complies with Regulatory Requirements). As a result, your Client Money will be held in accordance with the Regulatory Requirements relating to the custody of assets. You must tell us if you do not want your money held this way.

1.16.2 Interest Paid to You

Unless otherwise agreed with you, any interest due to you will normally be paid twice yearly and credited to your account. Details of the rates paid to you will be notified in your periodic reports or on request.

We may receive and retain interest on Client Money held for you in excess of the amount payable to you.

Credit interest will normally be paid six-monthly in arrears.

Where required by applicable law, we will deduct tax from interest and other payments due to you, unless you have provided appropriate certificates to enable us to make payments gross.

Interest balances of less than £2 will not normally be credited to your account.

1.16.3 Interest Payable by You

If you default in paying an amount when it is due, interest will accrue at the rate of 3% above base rate until such time as we receive full payment.

1.16.4 Unclaimed Balances

We may cease to treat as Client Money any balances allocated to you where those balances remain unclaimed provided that:

- (a) there has been no movement on your balance for six years (other than charges, interest or similar items) and
- (b) we have written to you at your last known address informing you that the balance will no longer be treated as Client Money, giving you thirty days to make a claim.

You should note, however, that we undertake to make good any valid claim against balances that were released from being treated as Client Money, provided you can evidence your claim.

1.17 Custody of Investments

Investments which are purchased through or by us will be registered in your own name or in the name of a nominee company which is controlled by:

- (a) us, or
- (b) a third party custodian, or
- (c) a recognised investment exchange.

All investments held by us on your behalf in our nominee account will be segregated from our own investments, and will be undesignated and held in a pooled account together with investments of one or more of our other clients. BRI Nominees Limited is a wholly-owned subsidiary of BRI Wealth Management plc and is an associated company. We, accordingly, accept responsibility for all the obligations of BRI Nominees Limited arising out of this Agreement. Investments held in BRI Nominees Limited are segregated from our own assets and cannot be used to meet any of the Company's own debts.

Where investments are held on your behalf with a third-party custodian, they will usually be held in a pooled account with other clients.

At all times you will remain the beneficial owner of the investments held by us or a third party custodian, and we will notify you of any income received in respect of investments held for you.

We will hold the record of such investments electronically. Your entitlements may not be identifiable by separate certificates, other physical documents or equivalent electronic record of securities; and in the event of an irreconcilable shortfall, following a default by us or by a custodian, you may not receive your full entitlement and investments may be shared by you on a *pro rata* basis with other clients.

Where any registrable investments are UK securities which have been, and are, eligible for trading in the CREST system, we may hold such investments in uncertificated form, and we are bound to comply with the requirements of that system.

Where your investments are held in a nominee account, or with a custodian outside of the UK, the legal and regulatory regime applying to the investments may differ from those that apply in the UK. Different practices for the separate identification and segregation of clients' investments may also apply and, accordingly, there may be a greater risk of loss in the event of a failure of any such nominee or custodian.

We will notify you of the assets that we hold for you at least annually.

Your investments, and documents relating to them, will not be lent to, or deposited by way of collateral, with third parties.

You must not use assets held by us as security for a loan without our prior written consent.

1.17.1 Certificated Investments

We will not normally sell investments held in certificated or material form without first arranging to register these into the name of a nominee company. This re-registration process can take some weeks to complete and you hereby warrant not to hold us liable for any financial loss caused by any such delay in acting on your instructions.

Where your investments are not held via a nominee company and we do agree to sell these without first registering them into a nominee company, we may deal for an extended settlement period for which the price may not be as favourable. If there is a delay, or if we are unable to deliver your shares to the buyer by the settlement date for whatever reason, you will be liable for costs, charges or fines that may result. We also reserve the right to buy-back sale orders where all relevant and necessary documentation has not been received and the costs will be passed on to you. By virtue of holding your investments outside our nominee service you may also be subject to other delays or charges when dealing.

1.17.2 Shareholder Rights and Entitlements

Unless otherwise agreed with you, by virtue of holding investments in a nominee account, you will not receive shareholder reports and accounts, shareholder concessions or the right to incentives, voting rights, and other material issued by the entities for which we are providing nominee facilities. We will exercise voting rights for you as we see fit unless you instruct us to the contrary.

If a company offers the choice of a cash dividend or scrip dividend (i.e. shares instead of cash) we will normally take the cash dividend, and we will not be responsible for informing you that a scrip dividend alternative exists.

Acting in the best interests of our clients as a whole, we may elect for income to be paid (at source) net of local taxes. If we do so, as we operate a pooled nominee account, and in order to manage costs, this will apply to you and all other clients, regardless of your personal tax circumstances.

1.17.3 Transfers

In-specie transfers-in of units or shares can take a number of weeks to complete and our obligations, in respect of such investments, will not arise until the transfer-in has been completed.

We may accept assets transferred in-specie at our absolute discretion to the account from third party managers or product providers, provided they do not include derivatives or other investments which we are unable to manage. We reserve the right to reject assets transferred in-specie or ask the transferring manager to sell them and transfer cash instead.

1.17.4 Litigation

We have no responsibility or obligation to participate in, or process, class action litigation claims or similar matters, but may so participate if, in our absolute discretion, we see fit. In the event that we do participate, we will use our reasonable endeavours, subject to time constraints, to provide the input requested. Please note that in the event of a payment to you in settlement, this will be after the deduction of any associated costs. We shall have no obligation to inform you about any such litigation claims which come to our notice.

1.18 Aggregating Orders and Price Averaging

We may combine an order to effect an investment transaction for you with those of our other clients, provided we believe, on reasonable grounds, that the aggregation will not operate to your disadvantage.

We may also allow brokers who deal on our behalf to combine investment transactions with their own and their clients' deals, subject to Regulatory Requirements.

Market conditions may not permit your aggregated order to be executed at once or in a single transaction. In such circumstances, we may therefore execute it over such a period as we deem appropriate and we may report to you a volume-weighted average price.

In some circumstances, aggregating your order may work to your disadvantage. We have an order allocation policy in place, which is designed to ensure the fair allocation of aggregated orders with other clients.

1.19 Key Investor Information Documents and Key Features Documents

Where we recommend to you, or arrange for you to buy, certain investments, we may be required to provide you with a Key Investor Information Document (KIID), Key Information Document (KID) or Key Features Documents (KFD).

These investments include investment trust saving schemes and units in collective investment schemes (e.g. a unit trust).

Where the investment has a KFD, we are not required to provide it for Discretionary clients, and if you are an Advisory Managed client you agree to waive your right to receive it. The requirement to provide a KFD applies to Advisory Dealing Clients only.

Where the investment has a KIID or KID, and you invest on an Advisory basis, we will either provide the document prior to dealing or give you an oral explanation of it and forward it to you within five business days of the recommendation or transaction.

The above requirements do not apply if you already hold the same investment and have previously received that KIID or KID.

Where we are obliged to provide you with a KIID, KID or KFD, and we have an email address for you that we believe to be valid, you agree that we can provide the relevant document by email.

1.20 Terms of Dealing

We will deal with all instructions in turn and in a timely manner.

We will use our reasonable endeavours to execute any order promptly. But, in accepting your orders, we do not represent or warrant that it will be possible to execute such order or that execution will be possible according to your instructions.

We will carry out an order on your behalf only when we and the relevant market are open for dealings, and we shall deal with any instructions received outside market hours as soon as possible, when we and that relevant market are next open for business (in accordance with the rules of that market). For dealings in some overseas markets, we will agree with you under what terms we will accept instructions from you.

We accept no liability for the non-completion of, or delay in, completing any instruction given by you or accepted by us where this is caused by systems failure, market closure or other exceptional circumstances. This includes any instance where there is not a reasonable amount of time available to execute the order prior to the closure of the particular market or official valuation point.

We have no obligation to accept or act on any dealing instruction.

1.21 Best Execution

When placing orders on a client's behalf in relation to financial instruments, we will take reasonable steps to achieve what is called 'Best Execution' of the order. We have in place a policy and procedures which are designed to obtain the best possible execution result. A copy of our Order Execution Policy can be found on our website www.brigroup.co.uk, or by requesting a copy from our Compliance Director.

1.22 Errors in quoted prices

Errors may occur in the prices of transactions quoted by us and we will not be bound by any contract which purports to have been made at a price which we can demonstrate was manifestly incorrect at the time of the transaction.

1.23 Takeover Code

In respect of any execution-only transactions you may carry out, you are responsible for complying with all notification requirements under Takeovers and Substantial Acquisition of Shares and Companies Act (2006) rules and legislation.

1.24 Underwriting

We will not commit you to any obligation to underwrite any issue or offer for sale of securities, nor will we include in your portfolio any securities for which an issue or offer for sale was underwritten, managed or arranged by the Company or an associate of the Company.

1.25 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 and take into consideration your tax position based on information in our possession when we manage your portfolio, 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 that you will be required to declare on your Self-Assessment Tax Return. Any calculation of the capital gains impact of executing a sales transaction will be an estimate and, as such, we cannot guarantee that there will be no tax liability arising.

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.

In some jurisdictions, we may be required to pass information about you to tax authorities, or deduct withholding taxes from any interest or income we pay or pass on to you.

International Taxation Arrangements

If you or any other person connected with the account (for example if you are a trust, or your beneficiaries, settlors or trustees) are subject to tax or reporting in another country or jurisdiction, we may be required by legislation to report on an on-going basis certain information about you and your accounts. This information will usually be passed to the tax authorities in the country or jurisdiction where you are subject to tax.

We will not be liable to you for any losses you may suffer as a result of complying with this legislation, including where we make an incorrect determination as to whether or not you are subject to tax reporting obligations, unless that loss is caused by our gross negligence or wilful default.

1.26 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 that identifies 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.

1.27 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 effected by us 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 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.

1.28 Your Obligations to Us (Indemnity)

Except insofar 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.

Where any amounts are due to us on one account, you agree that we may, without reference to you, satisfy that debt by transferring the amount owed from another account in your name or account where you are one of the joint holders. We will notify you if we have done this.

You agree that whenever you instruct us to buy, sell or hold investments:

- (a) You are the beneficial or legal owner of the investments;
- (b) You agree to grant us a first security charge over your cash and investments held by us as a continuing security for the discharge of all your obligations (including any charges, claims or costs) made or incurred by us under these Terms;
- (c) No one else has or will have any rights in respect of the investments, including rights to demand that they are transferred to settle amounts you owe; and
- (d) You will not, without our prior written agreement, sell or give anyone else any rights over the investments while they are held by us.

You agree to notify us as soon as reasonably practicable in the event that you are unable to deliver, or anticipate a delay in delivering, any payments, share certificates or other documents necessary to settle any transaction.

To help prevent 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 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.

1.28.1 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, your Financial Advisor 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.

1.29 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.

1.30 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.

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.

1.31 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.

1.32 Withdrawal Requests

1.32.1 Realising your Investments

Withdrawals that involve the disposal of investments or the rights attached to those investments may be effected by disposing of a marketable or whole number of such investments and rights. Upon receipt of your withdrawal instruction, we will aim to process the liquidation of investments sufficient to meet your request in a manner that will not disrupt the balance of investments held in your portfolio. 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.

We will normally deal with you as your agent and will normally sell your holdings at the prevailing market price at the time the withdrawal is actioned, in line with our order execution policy (see clause 1.21 and www.brigroup.co.uk for details). We will normally insist on withdrawal instructions being in writing but may, at our absolute discretion, accept these orally. Where we receive acceptable instructions from you, these will be acted on within five business days following receipt. The time of sale will be determined by us. Should the proceeds raised not meet the withdrawal requirement, a further sale(s) may be undertaken to raise the shortfall.

1.32.2 Settlement of your withdrawal request

Due to various settlement timescales, dependent on the type of security (e.g. equities, ETFs, collectives, gilts or corporate bonds), the dispatch of withdrawal proceeds may take up to 15 business days from the date of receipt of the withdrawal instruction. On occasions, as part of our security checks, we will endeavour to make contact with you prior to releasing a payment from your account. These security checks may involve a verification of your identity and confirmation of the validity of your instruction. This is for your protection and if we are unable to contact you we may not release the proceeds until this verification/validation has been completed. Should the payment of withdrawal proceeds be required by CHAPS or Telegraphic Transfer, a charge will be made.

1.32.3 Withdrawal Charges

Fees and charges are as outlined in our Schedule of Charges.

1.32.4 Cheques and Electronic Payments

We may make a payment to a third party on your behalf at your request; however, we will usually ask you to provide this instruction in writing. However, we may decline to do so.

If you ask us to make a UK payment via BACS or CHAPS for the payment to be sent the same day it should be received by us no later than 12 noon (11.00 am for international payments). Payments received after this time will be deemed to be received by us on the next business day.

The general position is that you may not revoke a payment instruction once it has been received by us. However, where you have asked us to make a payment on a future date, you can revoke a payment instruction up until the end of the last business day prior to the agreed date for payment.

Where practicable, we will endeavour to cancel a payment instruction if you request us to do so; however, you recognise that there is no commitment given by us that the payment transaction will be cancelled.

1.32.5 Exchange Rates

Where a payment transaction, such as a credit transfer, involves a currency conversion to be carried out, the exchange rate will be that offered by the relevant bank. Any costs incurred in relation to the currency conversion will be passed on to you.

1.33 Termination

You are entitled to terminate these arrangements by giving us immediate written notice, as may we by giving you immediate written notice.

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 a management fee for the whole of the period in which termination takes place as referred to in the Schedule of Charges, together with charges for transferring your investments to your new manager or other party 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 that may have already arisen.

If you ask us to terminate this Agreement, we will cease managing the investments within your portfolio. If you ask us to transfer your portfolio to you or another manager this may take a number of weeks to complete. We will, during the transfer process, accept dealing or corporate action instructions from you or your new manager on an execution-only basis. We are not responsible for losses arising as a result of us not managing your investments during the transfer process.

Dividends and interest may accrue for some time after you have asked us to close or transfer your portfolio (this may be up to 12 months). These additional sums will be sent to you or your new manager periodically.

We retain the right, without prior reference to you, to close any account which has remained inactive or dormant for a period of more than twelve months.

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

We may also freeze accounts without giving notice in advance if we reasonably believe that you have materially or persistently broken any terms of the Agreement, or where you put us in a position where we might break the law, regulation, code or other duty, or where you have become bankrupt or insolvent.

1.34 In the Event of Death

We will continue to manage your portfolio until we are notified of your death.

From the date we receive notification of your death (we will usually require a registrar's copy Death Certificate) we will place your account 'on hold' and we will cease dealing on your account until a Grant of Probate has been issued and we have been instructed by your legal personal representatives. During this time we will continue to administer your account for the benefit of your estate and we may in our absolute discretion (but are not obliged to), take action in respect of corporate actions, such as takeovers, where we believe it to be in the best interests of your estate.

We are not responsible for losses or other adverse consequences of our inability to manage your portfolio during the period between your death and the receipt of a certified copy of the Grant of Probate or Letters of Administration and instructions from your legal personal representatives.

Unless agreed otherwise, on the death of either or any joint holder to this Agreement, the entire interest in the account shall be vested in the surviving joint holder(s) on the same terms as set out in this Agreement before death (see clause 1.15.2).

1.35 Our Charges

Full details of our charges are set out in the Schedule of Charges, that accompanies these Terms.

You should note that there may be other costs, including taxes, which you incur in connection with investments that are not paid via us or imposed by us.

Where Regulatory Requirements allow, we may share dealing charges and/or fees with a connected person or other third parties, or receive or retain rebates, commissions or other benefits relating to certain categories of investments (for example, Collective Investment Schemes or structured products) that we recommend or purchase in providing our services, and you consent to us retaining commissions, rebates or other benefits. Details of any such remuneration or sharing arrangements will be made available to you on request.

You agree to pay our charges from the date we commence receiving the assets which will contribute to your portfolio, regardless of whether all of the assets being transferred have been received by us.

1.36 Financial Advisors

Where you have been introduced to us by a Financial Advisor, any fees or charges payable by you to the Financial Advisor will be agreed between you and them. If you wish such fees (plus VAT as applicable) to be deducted from your portfolio, you agree to notify us of the Financial Advisor's fees, and authorise us to arrange for payment of such fees from your portfolio. In the event that a Financial Advisor transfers business to a third party, on receipt of a copy of the duly executed transfer agreement, you authorise us to continue to make such payments, but to the third party rather than to the original Financial Advisor.

Where you inform us that you have ceased using a particular Financial Advisor, we may continue to pay them legacy commission or Advisor Agreed Remuneration at the previously agreed rate, unless you notify us that you would like the payments to cease or be paid to a new advisor.

1.37 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 will leave a 'footprint' on your electronic file.

Where we are unable to verify your identity electronically, or where your Financial Advisor instructs us otherwise, we will ask you to provide documents to establish your identity and these documents will need to be certified by an approved person.

1.38 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. 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.

Where you provide information about others (such as joint account holders), you confirm that you have their consent or are otherwise entitled to provide this information to us, and for it to be used by us.

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, along with 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.

1.39 Market Abuse and Insider Dealing

You agree that you will not, by deliberate or negligent act or omission, commit market abuse (as defined in section 118 of the Financial Services Markets Act 2000) or insider dealing (as defined in part V of the Criminal Justice Act 1993). Market abuse is a civil offence for which you can be fined and ordered to pay an unlimited fine. Insider dealing is a criminal offence for which you can be prosecuted, fined and imprisoned.

1.40 Default

If you default on an obligation, for example failing to pay any amount due to us in settlement of any transaction by the due date, we may, at our discretion at any time and without notice, close out any investment position held by us for you or realise any securities deposited with us. Any costs associated with this action will be borne by you. If, thereafter, there is a positive balance in your favour this will be sent to you with a statement showing how the balance was arrived at.

1.41 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.

1.42 General

We warrant, and undertake at all times, to use all reasonable care and skill in the performance of our duties to this Agreement.

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

1.43 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, transaction or legal rights or obligations which may already have arisen and are outstanding.

1.44 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.

1.45 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.

1.46 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. Individual Savings Accounts (ISAs)

If you hold a BRI ISA, you can choose whichever of our different levels of investment service you prefer: Discretionary Management or Advisory Management.

Most typically, most clients choose the same level of service and risk-based strategy for their ISAs as for their main portfolio or investments.

2.1 ISA Eligibility

You are eligible to open an ISA if you are:

- (a) a UK resident; and
- (b) aged 18 or over.

You may also be eligible to open an ISA if you are a Crown employee working outside of the UK and are being paid out of UK public revenue or you are married to, or in a civil partnership with, such a person.

We reserve the right to ask you to provide proof of your status and eligibility for an ISA before we accept your application.

You cannot open an ISA jointly with anyone else. You can only subscribe to one Stocks and Shares ISA each tax year.

You must write to us immediately if you are no longer eligible for an ISA. In this case, your ISA will remain open but no further subscriptions will be able to be made to it.

2.2 ISA Cancellation Rights

Where you decide to open an ISA, or transfer an ISA, and this was arranged on a face-to-face basis (as opposed to at a distance), you have a right to withdraw from the ISA within seven calendar days from the date that we receive your signed Application Form. If you would like to exercise your withdrawal rights, please write to us before the end of the seven-calendar day withdrawal period, at the address detailed on page 3.

2.3 ISA Subscriptions

Subscriptions by you to the ISA may not exceed the maximum subscription limit permitted by the prevailing ISA Regulations in any tax year. Please ask us if you do not know what this limit is.

If you sign a continuous ISA Application Form, your application to subscribe will remain valid for subscriptions made in the next and consecutive tax years. Also, and we will not require you to sign another ISA Application Form unless there is a break in your contributions for a full tax year or more, or if you indicate that you want your ISA form to remain valid for a single tax year only. If you sign an ISA Application Form, which permits subscriptions in consecutive tax years, we will contact you prior to subscribing to your ISA each tax year.

Once you have made a subscription to a BRI Stocks and Shares ISA you will not be able to subscribe to another Stocks and Shares ISA in the same tax year.

It will be your responsibility to make sure that your ISA contributions do not exceed the annual limit.

2.4 Void ISAs

We will notify you if your ISA has, or will, become void because of any failure on our or your part to satisfy the ISA regulations. If an ISA is made void, you may lose part or all of your tax exemption.

2.5 ISA Transfers

Subscriptions to a Stocks and Shares ISA can be transferred to a Cash ISA and/or another Stocks and Shares ISA.

You can ask us to transfer:

- (a) any ISA you hold with another ISA manager to us; and
- (b) all of your current year's ISA, and all or part of your previous years' ISAs held with us, to another ISA manager.

You must complete a transfer application form when requesting a transfer.

If you ask us to take over the management of an ISA held by another manager, it may not be possible to transfer your ISA investments in-specie. Where this is the case, we reserve the right to transfer your investments in cash. We may also decline to accept particular investments and, instead, ask your previous manager to realise such investments and transfer cash to us.

2.6 Transferring all or part of your ISA held with us to another ISA manager

You need to contact and make the necessary arrangements with your new ISA manager in accordance with its requirements. The new ISA manager will then contact us to arrange for the transfer. You may advise us of the date by which you wish the transfer to have taken place, and we will endeavour to complete it within that time but will not be liable for any losses arising in the event that the transfer is delayed. The ISA Regulations allow us up to 30 calendar days to complete an ISA transfer.

2.7 Additional Permitted Subscription

An Additional Permitted Subscription is an additional subscription, which you can apply to make into an ISA following the death of your spouse or civil partner. The Additional Permitted Subscription will not count towards your annual ISA subscription limit.

2.8 ISA Flexibility – Payments into and out of the account

Our ISA is a flexible ISA, which means that in some circumstances you can withdraw cash and pay it back, without it counting towards your annual ISA subscription.

A limited number of withdrawals will be permitted via the BRI Stocks and Shares ISA. If it is your intention to repay a withdrawal of cash, please discuss this with your BRI advisor.

2.9 Death

Your ISA will automatically cease to be exempt from tax from the date of your death. However, we will continue to manage your portfolio until we are notified of your death.

2.10 Shareholder Entitlement

On payment of a fee, you may make a written request to:

- (a) receive annual reports and accounts of companies which you have an investment in;
- (b) attend and vote at Company meetings;
- (c) exercise voting rights in respect of shares or units by way of proxy of the nominee; and
- (d) receive other information supplied to shareholders.

2.11 Interest

Interest received on cash held within an ISA is credited and retained gross.

2.12 ISA Regulations

Your ISA investment will be, and must remain in, your beneficial ownership and must not be used for a loan, except as permitted by HM Revenue & Customs and with our prior written consent.

If you instruct us to take any action that might, if carried out, reduce or extinguish the benefits of the ISA, you accept the personal consequences of these instructions. We reserve the right not to comply with such instructions where we reasonably believe that your instructions will result in your disadvantage. In such cases, we will make reasonable efforts to contact you but, for the avoidance of doubt, we shall have no liability to you where we fail to act on your instructions.

3. Junior Individual Savings Accountants (JISAs)

If you hold a BRI JISA you can choose whichever of our different levels of investment service you prefer: Discretionary Management or Advisory Management.

Typically, most clients choose the same level of service and risk-based strategy for their JISAs as for their main portfolio or investments.

3.1 JISA Eligibility

A Junior ISA is only available to children under the age of 18 who are resident in the UK. It is not possible to hold both a Junior ISA and a Child Trust Fund (CTF). Parents or guardians can open the Junior ISA and manage the account, but the money belongs to the child and the investment is locked away until the child reaches 18 years old.

3.2 JISA Account Opening

A JISA Application may be made by a Registered Contact on behalf of an Eligible Child, or by an Eligible Child who has attained the age of 16 years.

3.3 JISA Cancellation Rights

A JISA Application may be cancelled by the Registered Contact within 14 days from the date we receive it by writing to us at the address noted on page 3. HMRC will treat the position as if no subscription to a JISA had been made. We will return the subscription to the Registered Contact, after deducting our charges.

3.4 JISA Subscriptions

Subscriptions by you to the JISA may not exceed the maximum subscription limit permitted by the prevailing JISA Regulations in any tax year. Please ask us if you do not know what this limit is.

If you sign a JISA Application Form, your application to subscribe will remain valid for subscriptions made in future tax years and you will not need to complete a new Application Form for the life of the account, i.e. until the child becomes 18, becomes terminally ill or dies.

It will be your responsibility to make sure that your JISA contributions do not exceed the annual limit.

3.5 Registered Contact

We shall only accept instructions concerning the management of the JISA from the Registered Contact, unless:

- (a) we have accepted the Eligible Child's application to become the Registered Contact; or
- (b) we have accepted a JISA Application made by an Eligible Child who has attained the age of 16 years; or
- (c) we have become aware that the Registered Contact no longer has parental responsibility in relation to the Eligible Child.

We shall consider an application for a change of the identity of the Registered Contact without receiving the consent of the existing Registered Contact in circumstances where:

- (a) the applicant is the Eligible Child making an application to become the Registered Contact;
- (b) we have received evidence of the death or incapacity of the existing Registered Contact;
- (c) despite reasonable efforts having been made by us to contact the Registered Contact, that person cannot be contacted;
- (d) the applicant is the adopter or has been appointed as a guardian or special guardian of the Eligible Child;
- (e) we are bound to follow the direction of a Court order; or
- (f) a Court order, under which the Registered Contact has parental responsibility, is brought to an end.

The authority of the Registered Contact, in relation to the JISA, shall cease on the earlier of:

- (a) the Eligible Child's 18th birthday; or
- (b) the Eligible Child becoming the Registered Contact; or
- (c) we become aware that the Registered Contact ceases to have parental responsibility for the Eligible Child, in which case we shall decline further instructions from such Registered Contact until we have accepted an application for a change of Registered Contact.

3.6 Eligible Child

Except where the JISA Regulations apply, we may consider an application by the Eligible Child to become the Registered Contact at any time once attaining the age of 16 years, but before attaining the age of 18. We may contact the Registered Contact and/or the Eligible Child in this respect at or around such time.

3.7 Administration of the JISA

We will only provide our services where the JISA comprises a Stocks and Shares JISA.

The JISA Investments will be held in the beneficial ownership of the Eligible Child.

Contract notes, statements of account, valuations and reports applicable to the JISA shall be issued to the Registered Contact until such time as the Eligible Child reaches 18 years, unless:

- (a) we accept the Eligible Child's application to become the Registered Contact; or
- (b) we have accepted a JISA Application made by an Eligible Child, in which case they will be issued to the Eligible Child.

In the event that any person or organisation other than the Eligible Child or Registered Contact makes a subscription to the JISA:

- (a) it is the responsibility of the Registered Contact to advise such a donor that its subscription is a gift to the Eligible Child and cannot be recovered;
- (b) we will be under no obligation to record the identity of such a donor, or to advise the Registered Contact of this fact. However, we may do so if required by the JISA Regulations or other legislation; and
- (c) we may refuse to accept any such subscription in circumstances where we reasonably believe that acceptance may result in the JISA becoming void under the JISA Regulations, or we are prevented from doing so by other rules or regulations such as anti-money laundering requirements.

You may make subscriptions up to, but not more than, HMRC limits for Stocks and Shares JISAs in any tax year.

3.8 Void JISAs

We will notify the Registered Contact if, by reason of any failure to satisfy the JISA Regulations, the JISA has or will become void for tax purposes. We shall take corrective action where allowed by the JISA Regulations or, on instruction from HMRC, will void the JISA in other cases (for example, where the Eligible Child had another JISA of the same type).

3.9 JISA Transfers and Withdrawals

No withdrawals from the JISA shall be permitted until the Eligible Child reaches the age of 18 years, unless:

- (a) such a withdrawal is for the purpose of settling our charges and other incidental expenses pursuant to these terms and conditions;

- (b) we have received evidence of the death of the Eligible Child; or
- (c) the Eligible Child is terminally ill. Subject to the definitions and conditions of the JISA Regulations in this regard, the JISA will be closed upon receipt of the prescribed documentation and the proceeds paid to the Registered Contact.

Upon the Eligible Child attaining the age of 18, the JISA will automatically cease to be a JISA. Unless we have been advised otherwise, we shall automatically transfer the JISA investments to our adult ISA. We shall advise the former Eligible Child of our standard ISA charges and these shall be applied to the holding until the former Eligible Child instructs us to close the account, or on the receipt of such documentation as we may require to transfer it to another ISA Manager. After settlement of our charges, we shall either pay the proceeds to the former Eligible Child, or transfer the former JISA investments as appropriate.

In the event that we do not receive any instruction or documentation, we shall suspend the former JISA and no action shall be taken in respect of the former JISA (including in relation to its management), and we shall not be liable for any investment or other losses arising as a result of our failure to administer or manage the former JISA during such suspension.

3.10 Shareholder Entitlement

On payment of a fee, you may make a written request to:

- (a) receive annual reports and accounts of companies which you have an investment in;
- (b) attend and vote at Company meetings;
- (c) exercise voting rights in respect of shares or units by way of proxy of the nominee; and
- (d) receive other information supplied to shareholders.

3.11 JISA Regulations

Your JISA will be administered in accordance with the JISA Regulations, which take precedence over these Terms and Conditions.

The investments held in your JISA must be, and must remain, in the beneficial ownership of the Eligible Child at all times and must not be used as security for a loan.

4. Risk Disclosures

4.1 Your Portfolio

Your portfolio at BRI 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 in 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, Financial Advisor if you require further clarification or explanation of any of the risks mentioned below.

General Risks

4.2 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 and 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.

4.3 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.

4.4 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.

4.5 Liquidity and Non-readily Realisable Securities

We endeavour to invest in 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.

4.6 Foreign Markets and Exchange

Foreign markets will involve different risks from UK markets. In some cases the risks will be greater. On request, we will provide an explanation of the relevant risks and protections (if any).

Exchange rate changes may affect the value of investments denominated in a foreign currency.

Movements in exchange rates may cause the value of an investment to fluctuate either in a favourable or unfavourable manner.

4.7 Investment Delay

During the time required for the transfer of assets into the portfolio, the assets will not be managed and their value may fluctuate significantly.

4.8 Clearing House Protections

On many exchanges, the performance of a transaction by us (or by a third party with whom we are dealing on your behalf) is ‘guaranteed’ by the exchange or clearing house. However, this guarantee is unlikely in most circumstances to cover you and may not protect you if another party defaults on its obligations to you.

4.9 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.

4.10 Stabilisation

From time to time, the Company may effect transactions on your behalf, the prices of which are being stabilised.

This statement complies with the rules of the Financial Conduct Authority (FCA).

BRI Wealth Management plc or its representatives may, from time to time, recommend transactions in securities to you, or carry out such transactions on your behalf, where the price may have been influenced by measures taken to stabilise it.

You should read the explanation below carefully.

This is designed to help you judge whether you wish your funds to be invested at all in such securities and, if you do, whether you wish:

- (a) to be consulted before BRI Wealth Management plc carries out any such transaction on your behalf; or
- (b) to authorise BRI Wealth Management plc to carry out any such transaction on your behalf without first having to consult you.

4.11 What is Stabilisation?

Stabilisation enables the market price of a security to be pegged (fixed) during the period when a new issue of securities is sold to the public. Stabilisation may affect not only the price of the new issue but also the price of other securities relating to it. The FCA allows stabilisation in order to help counter the fact that, when a new issue comes onto the market for the first time, the price can sometimes drop for a time before buyers are found.

Stabilisation is carried out by a 'stabilisation manager' (normally the firm chiefly responsible for bringing a new issue to the market). As long as the stabilising manager follows a strict set of rules, he is entitled to buy back securities that were previously sold to investors or allotted to institutions that have decided not to keep them. The effect of this may be to keep the price at a higher level than it would otherwise be during the period of stabilisation.

The Stabilisation Rules:

- (a) Limit the period during which a stabilising manager may stabilise a new issue.
- (b) Fix the price at which he may stabilise (in the case of shares and warrants but not bonds); and
- (c) Require him to disclose that he may be stabilising but not that he is actually doing so. The fact that a new issue or a related security is being stabilised should not be taken as any indication of the level of interest from investors, nor of the price at which they are prepared to buy securities.

Asset Class Specific Risks

4.12 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 our opinion, this is highly unlikely, and events have shown that the authorities will intervene to underwrite customer deposits.

4.13 Cash ISAs/JISAs

If you decide to transfer a cash ISA/JISA to BRI, you should note that your capital will be invested in stockmarket based investments and is therefore at risk. Your cash ISA/JISA will become a Stocks and Shares ISA/JISA and will be invested in accordance with your chosen aims and objectives.

4.14 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 predetermined 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, whereby, 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 event of the 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.

4.15 Index Linked Stocks

We may invest from time to time into index-linked stocks. Both the interest paid by these stocks and the sum received on redemption are linked to inflation, unlike conventional fixed income stocks where both are fixed. Index linked gilts tend to pay out the majority of their return in capital and are, thus, typically better suited to higher rate tax payers, but there will be times when the protection against rising inflation is especially beneficial to all categories of investors.

4.16 Shares and Other Types of Equity Instrument

Equities, or shares, are issued by companies in order to gain access to capital. They represent investors' share in the retained, current, and future profits of the business, and also a share in the net asset value of the business after liabilities to creditors have been met. Shares may also pay holders a dividend, but this is subject to change and is not guaranteed by the issuer.

In the long term, the value of an individual company is related to its profit growth and net asset value. However, in the short term, sentiment can make share prices volatile as opinions change about the future profitability of the company, the sector, or the economies that the company operates in.

Investors, whilst able to participate in the growth of a business, can also be subject to significant losses compared to their original investment. In the worst case, a company could fail; and if this happens, its value can become worthless.

Investors should also be aware of foreign exchange risks where fluctuations in exchange rates may affect, either favourably or adversely, a company's foreign currency denominated earnings and/or dividends.

The price of individual shares can be volatile, and can be affected by unpredictable events. For this reason, we believe that individual shares should only be held in portfolios where a certain level of diversification can be achieved, in order to reduce overall volatility on each client's portfolio.

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 much less than what you have paid for them.

We may also invest in preference shares and depositary receipts. Unlike ordinary shares, preference shares give shareholders the right to a fixed dividend, although this is not guaranteed. Preference shareholders are given higher priority than ordinary shareholders should the issuer go into liquidation and are therefore generally considered to be a less risky investment.

Depositary receipts are negotiable certificates typically issued by a bank, which represents a specific number of shares in a company traded on a stock exchange which is overseas to the issuer of the receipt. The risks involved relate to both the underlying share and to the bank issuing the receipt.

Shares are traded on the stockmarket, and we endeavour to buy shares for clients where there is a ready and liquid market. However, the available liquidity can change, and in certain circumstances the existence of such liquidity cannot be guaranteed.

4.17 Commodities

Commodities take two forms: either hard commodities such as gold and other precious metals, or soft commodities such as wheat and other foodstuffs.

The value of such commodities can be affected by a wide range of factors such as: economic growth, climate, and the geo-political environment.

Investment in commodities tends to be via Collective Investment Schemes, so we would draw investors' attention to the section below regarding Collective Investment Schemes.

4.18 Collective Investment Schemes (CIS)

Investment in Regulated Collective Investment Schemes tends to be via 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 varying 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 above, for fixed interest and equities 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.

4.19 Unregulated Collective Investment Schemes (UCIS)

Unlike an authorised Collective Investment Scheme, a UCIS is not directly regulated by the FCA. A UCIS fund will typically be used to invest in more alternative assets, such as property, which are closed ended due to their illiquid nature and longer-term investment strategies. A UCIS is described as unregulated because it is not subject to the same restrictions as an authorised or recognised CIS.

For example, in terms of their powers and how a UCIS is run, UCIS investments are generally considered high risk compared to regulated CIS, because they typically invest in riskier and less liquid assets. They are not subject to investment and borrowing restrictions like a regulated CIS. Investors will not typically have recourse to the Financial Services Compensation Scheme.

UCIS funds will only be considered for sophisticated investors who meet the necessary criteria set out by FCA Handbook COBS 4.12.

4.20 Derivatives

Whilst we will not directly acquire any derivative instruments for your account, we may purchase investments that themselves may utilise derivatives to achieve their investment objectives.

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 that 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 price you pay to buy the price you sell at 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 and neither the capital, nor any income generated, is guaranteed.

Although ETFs have a low tracking error rate 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 underlying index.

BRI will generally only consider physical ETFs.

4.21 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 monitored 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. Some funds of hedge funds might contain only one hedge fund; this lets ordinary investors into a highly acclaimed fund.

4.22 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.

4.23 Structured Products

‘Structured products’ is a very general term to describe investments which provide exposure to a wide range of asset classes, through a combination of financial instruments (typically including zero coupon bonds and/or derivatives), brought together to provide a single investment product. The nature of the financial instruments included in a structured product will depend upon the type of exposure being sought by investors.

A structured product should be considered as a term investment, where the expected returns will occur at or shortly before maturity. In the time before then, the price of the product may not reflect changes in the underlying assets and in certain cases will initially be more sensitive to changes in the price of the issuer’s bonds. The market price of the structure will also be affected by rises and falls in volatility and by market interest rates.

One of the main risks when purchasing a structured product is the credit risk of the issuing bank or institution.

A zero coupon bond typically makes up much of the asset value of certain structured products and the price of this bond will vary according to the issuer’s credit rating and market perceptions of its credit worthiness. The nature of the zero coupon bond may also mean that holders of the capital guaranteed products may face losses, if forced to sell before the maturity of the structure. Also, they may be locked into low returns for the life of the product if the price of the underlying asset fails to perform as anticipated.

Holders of structured products may also lose if the issuer of the derivatives in the product were to default. The derivatives that make up a structure are very rarely actually purchased on the exchange. As a result, if the issuing counterparty were to default, then the derivatives involved in the structure would effectively be written off and it is likely that the holder of the product would be considered to have no rights to those derivatives. Certain structured products are dependent upon the performance of an index or indices, so that a fall in the index or any of the indices below a predetermined level might result in irrecoverable losses.

Buying structured products in the secondary market may also create a number of additional risks. Capital protection, where applicable, is only applicable to the price at launch and secondary purchases may therefore be liable to large potential losses.

The taxation of structured products is yet to be determined; it is possible that products that we believe to be liable to Capital Gains Tax could, in future, be taxed as income or subject to further change.

4.24 Warrants

We will not normally deal in warrants unless you have signed and returned a copy of the relevant risk warning notice (available on request).

Investment in warrants often involves a high degree of gearing so that a relatively small movement in price of the security to which the warrant relates may result in a disproportionately large movement, unfavourable as well as favourable, in the price of the warrant.

We may, however, realise a warrant already held by you or provide services in relation to a warrant attached to another investment.

4.25 And finally...

If you decide to open a BRI portfolio, this should be regarded as a medium-to-long-term investment.

The value of your investment may fall as well as rise, and you may not get back the full amount of your investment. Past performance is not necessarily a guide to future performance. Any income arising is not fixed and may go up or down.

5. Definitions and Interpretation

5.1 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.

“Additional Permitted Subscription”

is a request to make a subscription to an ISA that utilises any APS allowance.

“Advisor Agreed Remuneration”

A charge agreed between you and your Financial Advisor for advice.

“Approved Bank”

A bank, or other financial institution, that meets regulatory requirements for holding Client Money and undertaking banking business.

“APS Allowance”

means the additional ISA allowance, which may be available to you where your spouse held an ISA and died on or after 3 December 2014.

“BACS”

is a scheme for the electronic processing of financial transactions in the UK.

“BRI advisor”

is the person who looks after your account on a day-to-day basis.

“Business Day”

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

“Certificate”

means the document or other evidence of title (including electronic evidence) to an investment.

“CREST”

is the UK’s electronic registration and settlement system for UK markets and Irish securities.

“Custodian”

is defined in accordance with the rules of the FCA, and includes banks, depositories and custodians approved by the FCA, and members of recognised investment exchanges.

“Eligible Child”

means a UK resident under the age of 18 in whose name, and for whose benefit, the JISA is held, and who otherwise satisfies the conditions for eligibility to hold a JISA as set out in the JISA Regulations.

“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.

“Financial Advisor”

The individual who is appointed by you in relation to your advice requirements.

“FSCS”

The Financial Services Compensation Scheme.

“HMRC”

HM Revenue & Customs.

“In-Specie”

means the transfer of an asset in its present form, rather than selling it and distributing the cash proceeds.

“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.

“Investment Manager”

means the individual who is appointed by us as your investment manager in relation to your portfolio.

“Investment Proposal”

is the report where we provide financial advice to you in writing.

“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.

“Key Investor Information Document”

means a document prescribed by the FCA, which contains information about certain types of investment, such as unit trusts.

“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.

“Product Illustrations”

are issued by a product provider and demonstrate the projected value of a financial product, such as a pension or investment bond. They are run over a specified time period and help to demonstrate the impact of various charges on the underlying investment.

“Registered Contact”

means a person who is over 16, and who either has parental responsibility in relation to the Eligible Child or is the Eligible Child who is over 16 and applied for the JISA.

“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 or your Financial Advisor from the options offered by us.

“Schedule of Charges”

Our schedule of charges, as amended from time to time.

“Scrip”

A scrip dividend is where you have the option of electing for new shares instead of a cash dividend.

“Specie”

means your existing investment. Where in-specie transfers are permitted, this means that you can transfer your investment to us or to a new manager in its original form. Some managers do not permit in-specie transfers, which means that your investment would be sold and transferred in cash instead.

“Terms and Conditions”

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

“Qualifying Money Market Fund”

is an investment whose objective is to earn interest for shareholders while maintaining a net asset value (NAV) of £1 per share. A money market fund's portfolio is comprised of short-term, or less than one year, securities representing high quality liquid debt and monetary instruments.

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



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