



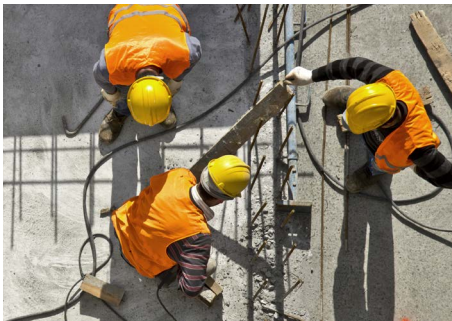
## **Terms of Business**

For Retail &  
Professional Clients



# Terms of Business

For Retail & Professional Clients



## CONTENTS

<b>03</b>	Definitions
<b>04</b>	Interpretation
<b>04</b>	Our Range of Services
<b>05</b>	Investment Portfolio Accounts
<b>07</b>	Your Account With Us
<b>11</b>	Dealing
<b>14</b>	Settlement
<b>15</b>	Custody of Assets
<b>18</b>	ISAs
<b>19</b>	Communication
<b>21</b>	General Terms



## Definitions

**In this document the following definitions apply:**

**Account Executive** means the individual or team assigned by us who handles your account and your dealings with us in relation to any agreed services in accordance with our Terms.

**Business Day** means any day (except Saturday or Sunday) on which banks in London are open for normal banking business.

**CASS** is defined in accordance with the FCA Rules.

**Complex Financial Instruments** would include financial instruments which are not noncomplex financial instruments as referred to in the FCA Rules such as warrants, options, futures, contracts for differences, spreadbetting, some structured products and other complex financial instruments.

**Contingent Liability** is a derivative under the terms of which the client will or may be liable to make further payments (other than charges, and whether or not secured by margin) when the transaction fails to be completed or upon the earlier closing out of his position.

**Custodian** is defined in accordance with the FCA Rules and includes banks, depositories and custodians and members of recognised investment exchanges.

**Decision Maker** is defined in accordance with MiFID II as being the individual or entity who is the originator of the decision to trade.

**Electronic Communication** is a communication between you and us by facsimile, email or other electronic means.

**FCA** means The Financial Conduct Authority and any successor body or entity responsible for regulating activities of the type carried on by us under FSMA and the FCA Rules.

**FCA Handbook** means FCA's Handbook of Rules and Guidance as from time to time in force.

**FCA Rules** means the rules contained in the FCA's Handbook of Rules and Guidance as from time to time in force.

**FSMA** means the Financial Services and Markets Act 2000, as amended from time to time.

**Financial Adviser** means any individual or body corporate who is authorised and regulated by the FCA to provide advice other than us.

**GHC Nominees** means GHC Nominees Limited, our wholly owned subsidiary.

**HMRC** means HM Revenue & Customs.

**ISA** means Individual Savings Account and includes when the context permits a junior ISA.

**Investment Portfolio Accounts** means together the Advisory Dealing, Advisory Managed, and Discretionary Services described as such in the section below entitled Our Range of Services and each of Advisory Dealing, Advisory Managed, and Discretionary Services shall mean the service described as such in the section below entitled Our Range of Services.

**Legal Entity Identifier (LEI)** An LEI is a unique identifier for persons that are legal entities or structures including companies, charities and trusts. The obligation for legal entities or structures to obtain an LEI was endorsed by the G20 (the leaders of the 20 largest economies).

**Managed Service** for the purpose of this agreement means both discretionary and advisory accounts.

**MiFID II** is the Markets in Financial Instruments Directive II.

**National Insurance Number (NINO)** is a number used in the United Kingdom in the administration of the National Insurance or social security system. It is also used for some purposes in the UK tax system. The number is described by the United Kingdom government as a "personal account number".

**Our Terms** means our terms and conditions of business as defined below in the paragraph headed 'Purpose of Our Terms'.

**Plan Manager** means a legal entity or person that is authorised by HMRC to manage ISAs.

**Politically Exposed Person** means an individual who are or have been entrusted with prominent public functions by a non UK or European Union country, for example Heads of State or of government, senior politicians, senior government, judicial or military officials, senior executives of state owned corporations, important political party officials. The definition is not intended to cover middle ranking or more junior individuals in the foregoing categories.

**Professional Client** means a client who is not an Eligible Counterparty or a Retail Client as defined by the FCA Rules.

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

**Website** means that part of any Internet site of ours to which we have given you access by means of providing secure login details



## Interpretation

**In this document, unless the contrary intention appears:**

- Words importing a gender include any other gender;
- Words in the singular include the plural, and words in the plural include the singular;
- A party includes the party's executors, administrators, successors and assigns;
- Clause headings are inserted for convenient reference only and have no effect in limiting or extending the language of provisions to which they refer;
- Words importing persons include a partnership and a body whether corporate or otherwise;
- A reference to legislation (whether primary or subordinate) is a reference to legislation amended or replaced from time to time;
- Use of the words 'includes' or 'including' means without limitation.

### PURPOSE OF OUR TERMS

This document together with a relevant service brochure and application pack and, where appropriate, any additional written terms of business to be agreed between us ("our Terms") will constitute our Terms and the legal contract between us and on which we will rely in the course of your legal relationship with ourselves. If any provision of this document is inconsistent with a provision of another document then the provision of this document will apply except where we have expressly agreed that the provision of that other document will prevail. If you have any questions about points in this document, or our services generally, please do not hesitate to contact your usual Financial Adviser or us.

### GHC CAPITAL MARKETS LIMITED

GHC Capital Markets Limited ("we" or "us") is incorporated in England & Wales under number 3113332 and its registered office is at 22-30 Horsefair Street, Leicester, LE1 5BD. We are authorised and regulated by the Financial Conduct Authority under reference 152998. Our details and our FCA registered employees and representatives can be found by looking at the FCA register at [www.fca.org.uk](http://www.fca.org.uk). We are authorised by HMRC to act as an ISA Plan Manager.

### UNBIASED BUT RESTRICTED ADVICE

Our services do not extend to advice or management in relation to your overall financial planning arrangements for pensions, life assurance and more general financial advice and so we do not consider the full range of all possible financial products that are suitable to Retail Clients as we focus on stock-market investments and other similar products. As a consequence, when we give you advice it will be unbiased but Restricted. Restricted advice is the term that is used in the FCA Handbook to describe any advice that does not meet the standards for independent advice prescribed by the FCA Handbook. A firm offers restricted advice where the advice it provides relates only to a limited range of products or product providers. Under the FCA Handbook we must tell you that we provide Restricted Advice, explain the nature of the restriction and must not use "independent" to describe our services. You should consider carefully all the above when deciding whether to use our services. Please note that we are not bound by any agreement with any product provider when giving advice on investment products and as such we are able to select suitable investments on all stock-market investments and other similar products.

## Our Range of Services

We offer a comprehensive range of services that include advising on, managing, and buying and selling stocks, shares, unit trusts, and a wide range of other financial instruments. We also provide extensive services in centralised portfolio management, administering and safeguarding clients' investments and cash, managing ISAs, and many ancillary activities. Please note that the scope of our services will not cover taxation advice unless we agree under additional terms to provide this.

Should you wish to deal in Complex Financial Instruments we are required to assess your knowledge and experience of the risks of such instruments before allowing you to conduct transactions in Complex Financial Instruments and you should consider taking suitable professional advice before seeking to deal in such instruments and should note that we may require additional terms of business to be agreed between us.

### EXECUTION ONLY DEALING

If you are happy to make your own investment decisions, without receiving advice, then you should consider our 'execution-only' dealing services. As the name suggests with an 'execution-only' dealing service, no assessment



of the suitability or appropriateness of the service, advice or recommendations on investments are offered, although factual information such as share prices and market activity will be given on request. We will not take into account the suitability or appropriateness of any transactions with regard to your financial circumstances.

## ADVISORY DEALING

Some clients prefer to make their own investment decisions but occasionally require our advice on a stock by stock basis, rather than within the context of a comprehensively managed portfolio. Our Advisory Dealing service offers you recommendations on individual investments as and when you wish to receive that advice. This arrangement differs from our other Investment Portfolio Accounts as it is a reactive service in that your investments are not being actively or continually monitored or managed as a part of a comprehensive portfolio. We consider only the suitability of the investment in the light of your objectives and requirements when you contact us and at the time of giving the advice. We do not take into account the suitability of your portfolio as a whole, nor how a suggested purchase or sale fits into the overall picture, and responsibility for the portfolio remains with you.

## ADVISORY MANAGED

If you wish to appoint an investment manager who will continuously monitor your portfolio and assist with its administration, but with you still making the final decision on the individual purchases and sales then you should consider our Advisory Managed service.

As an Advisory Managed client you will receive an ongoing proactive portfolio management service based upon a detailed understanding of your investment objectives and appetite for risk attaching to the portfolio under our management. We will handle all of the investment selection, paperwork and cash management, and provide you with comprehensive reports on a regular basis. You will need to agree with us your investment objectives, which we will also review from time to time, and agree our investment recommendations.

## DISCRETIONARY MANAGED

You may feel that your personal circumstances are such that you would prefer not to be involved in taking investment decisions and would rather appoint an investment manager to look after your investments. If so, you should consider our Discretionary Managed service.

As a Discretionary Managed client you will receive an ongoing proactive portfolio management service based upon a detailed understanding of your investment objectives and appetite for risk attaching to the portfolio under our management. We will handle all of the investment selection, paperwork and cash management, and provide you with comprehensive reports on a regular basis. You will need to agree with us your investment objectives, which we will also review from time to time.

## FINANCIAL INSTRUMENTS

We may provide these services in respect of listed and unlisted investments in certain financial instruments. You should read our 'Understanding Risk & Portfolio Construction' brochure which is available on our Website or upon request and has been written to provide you with sufficient information and knowledge to help you ascertain which financial instruments are suitable for you. Notwithstanding any previous declaration, you and your financial adviser should be aware that where we manage your portfolio (for the purposes of this clause this is taken to mean a discretionary portfolio) the portfolio may include complex financial instruments. It is the responsibility of your financial adviser to assess whether the service is suitable for you in light of that knowledge and we will not be required to ensure that you have signed a complex financial instrument risk warning notice.

Non-Readily Realisable Instruments are investments in which the market is limited or may become so, and accordingly it may be difficult to assess their market value and/or to liquidate your position.

Where we are made aware or notified that a stock has become defunct, that is the company, whether publicly listed, unlisted or private, is bankrupt or has ceased to exist, we will remove the holding from your portfolio valuation, or value it at zero until we are informed otherwise.

## Investment Portfolio Accounts

Before we can establish and operate an Investment Portfolio Account on your behalf we, or your Financial Adviser, are obliged by the FCA Rules to assess the appropriateness of the service by obtaining sufficient information from you to establish your financial situation, your investment objectives, and your knowledge & experience.

If we are responsible for assessing these outcomes, you will be required to complete an investor appraisal that will allow us to assess your specific and unique financial and



investment circumstances, thereby allowing us to provide you with the best investment solution. Once you have established your Investment Portfolio Account with us we will contact you occasionally to ensure that your financial situation has not substantially altered, which may require a change to the services that we provide to you.

If you are introduced to us by a Financial Adviser then they are responsible for undertaking these activities and we will be entitled to rely on the information provided by them and we will not be responsible for assessing initial or any on-going suitability of our services or your financial situation, unless we agree in writing otherwise. We are of course responsible for ensuring that the investments contained within your portfolio are appropriate to your stated investment objectives and risk profile.

## FINANCIAL SITUATION

We or your Financial Adviser must obtain from you such information as is necessary to understand the essential facts about you and have a reasonable basis for believing, giving due consideration to the nature and extent of the service provided, that the specific transactions to be recommended, or entered into in the course of managing:

1. meet your investment objectives;
2. are such that you are able financially to bear any related investment risks consistent with your investment objectives;
3. are such that you have the necessary experience and knowledge in order to understand the risks involved in the transaction or in the management of your portfolio;
4. are based on information regarding your investment objective that include, where relevant, information on the length of time for which you wish to hold the investments, your preferences regarding risk taking, your risk profile, and the purposes of the investment;
5. are based on information regarding your financial situation that include, where relevant, information on the source and extent of your regular income, your assets, including liquid assets, investments and real property, and your regular financial commitments, both in terms of liabilities and expenditure.

## INVESTMENT OBJECTIVES

You should be prepared to invest your funds for a minimum of five years and preferably longer. Should you need to withdraw invested

funds quickly, this may adversely affect the amount you receive. In the case of certain investments it may not be possible to liquidate them immediately as they may be subject to a 'lock-in' period.

Attitude to risk is specific to the individual concerned and in general the greater the risk appetite then the greater the potential investment losses, offset by greater potential investment returns. To achieve your investment objectives it is inevitable that a degree of risk must be taken as no investment is risk free. To assist you in determining your attitude to risk GHC, and many Financial Advisers, utilise a risk profiler. This involves completing a risk questionnaire where your answers are analysed and any conflicts within your answers identified and discussed with you.

The purpose of your investment, along with the other required information identified in your financial situation, allows us or your Financial Adviser, to provide the most appropriate advice to your specific needs and circumstances. This may include issues such as the potential level of risk required to meet your stated investment aims. It maybe that you may have to take more risk to achieve your investment aims than you are naturally willing to accept, or alternatively to adjust your expectations to achieve a potentially lower return. It is also possible that you may not need to take the level of risks that you are prepared to accept in order to achieve your investment aims.

Unless agreed between us in writing there will be no limit on the value of any one investment or the proportion of the portfolio that any particular kind of designated investment may constitute. If you do not specify any investment restrictions, we may arrange to purchase, on your behalf, any security and in any market, which we have reasonable grounds for believing is suitable for you. When making an investment decision we will not take into account your tax position or be responsible for assessing the tax implications of transactions undertaken on your behalf.

When managing or advising on your investments we exercise our best judgement at the time and cannot be held responsible if any investment fails to meet our reasonable expectations. The value of investments may fall as well as rise and the past performance of investments is not necessarily a guide to future performance

## KNOWLEDGE & EXPERIENCE

We or your Financial Adviser will require information from you to help assess your knowledge and experience in investments. This will include, to the extent appropriate to the nature of and extent of the service to be provided and the type of product or transactions envisaged, including their





complexity and the risks involved, information on:

1. the types of service, transactions and designated investments with which you are familiar;
2. the nature, volume, and frequency of your transactions in designated investments and the period over which they have been carried out;
3. your level of education, profession or relevant former profession.

To assist in your knowledge of investments and their associated risks we have produced a guide to 'Understanding Investment Risk & Portfolio Construction', which is available on our Website or upon request.

## Your Account With Us

### COMMENCEMENT & TERMINATION & CANCELLATION

Commencement of business is on confirmation of receipt of all duly completed documentation approved by us as being satisfactory.

Our responsibility in respect of Advisory Managed and Discretionary Managed accounts, where securities or cash are transferred to us by you or a third-party, commences upon receipt of the entire proposed portfolio, including correctly registered documents of title.

If you are a Retail Client and you are not entering these terms for the purposes of your business, trade or profession then you may cancel any service which you entered into without a face-to-face meeting with us, within 14 calendar days and if you wish to cancel, you must send written notice by post to your Account Executive. We will only provide our services to you during any cancellation period at your request and at our sole discretion.

In addition you are entitled at any time to terminate these arrangements by giving us written notice that will be effective 14 days from our receipt of that notice, as we may by giving you written notice that will be effective 14 days from your receipt of that notice. We may immediately terminate the arrangements, or part thereof, if we deem in our absolute discretion that it is impossible for either party to comply with any FCA Rules. No penalty will become due either from you or from us in respect of the termination of these arrangements but you may be required to pay the following amounts:

- i. any outstanding fees payable in relation to our services;
- ii. any additional expenses necessarily

incurred by us on termination;

- iii. any losses necessarily realised in settling any obligation on termination;
- iv. any reasonable exit charge.

If you reduce the level of cash or investments held with us to such an extent that we, in our reasonable opinion, believe you are maintaining these arrangements solely to avoid paying these amounts then we may terminate these arrangements with immediate effect and these amounts will then become immediately due and payable by you to us.

If these arrangements are terminated, that will not affect any outstanding order or transaction or any legal rights or obligations, which may already have arisen or arise as a consequence of the decision to terminate.

Termination of the Agreement will be without prejudice to the completion of transactions already initiated. All transactions not completed, at termination, will be settled before your account is closed.

On termination all accounts that are to be closed will be encashed and the proceeds will be forwarded to you or an acceptable third-party by cheque or some other mutually agreed means. If you request that the investments be re-registered then we will charge an additional fee. Any certificated documents of title will be forwarded by normal post at your own risk. Alternatively and subject to you agreeing additional terms with us we will add the investments and cash affected to any other account you have with us operated on the same service classification.

### INFORMATION ABOUT YOU

We rely upon the information you provide to us and any subsequent updates. You are responsible for telling us if this information changes. You should advise us in writing if:

- you change your name, your address or your contact details;
- you change your bank account details;
- your tax residency status or nationality changes;
- you or an immediate family member becomes a Politically Exposed Person;
- there are changes to your account details or changes to any agent authorised to act on your behalf;
- your financial circumstances change (such as you receive an inheritance) or your personal circumstances change (such as a divorce) impacting on the service we



provide to you under this agreement;

- your attitude to risk or your investment objectives change.

If you are a foreign national (ie non-UK national) we will require a valid passport number. It is your responsibility to ensure that your passport stays valid and you must inform us immediately upon expiry. All UK nationals will be required to provide a valid National Insurance number. This is required for transaction reporting purposes under MiFID II. If you do not have a National Insurance number or are unable to obtain one you must inform us immediately so that where possible alternative arrangements can be made. If you a MiFID II-scope corporate entity you will be required to provide us with a Legal Entity Identifier number. This is a number which will be unique to you. It is your responsibility to renew your LEI on an annual basis. Without a valid LEI or a National Insurance number in the case of individuals we will be unable to fulfil our reporting requirements in accordance with MiFID II and therefore no trading will be undertaken on your account which will be suspended until the necessary information has been obtained.

You should not assume or infer we are aware of changes in any of the above on the basis of other communications, such as receipt of a cheque from a new bank account. Failure to keep us up to date with any of the above may impact the quality of the services we provide to you or affect the receipt of communications between us and you or your agent.

Please be advised that in accordance with the requirements to ensure that our records are properly updated, we reserve the right to appoint third-parties to review, source and confirm the information you have previously supplied is still current. This may involve the processing of your personal information such as address, email address and telephone contact. Under the General Data Protection Regulation and the Data Protection Act 2018 we are entitled to undertake such an exercise where it is a legitimate interest taking place within a client relationship. We will not knowingly permit any third-party to further use or disseminate your personal information although we cannot guarantee their compliance.

We believe this will enhance our offering and service to you as a result. If you do not wish to have your data processed in this manner please contact Customer Services.

## CLIENT AGREEMENTS

We may require you to agree additional terms and conditions of business in respect of services supplied to you.

We are obliged to identify the Decision Maker in every transaction report. For Execution Only and Advisory Managed clients you will be

deemed to be the Decision Maker.

We will treat you as our client for your own named account. Where you sign as an authorised person on behalf of a corporate entity we will treat the corporate entity as our client. Where you sign as a trustee we will treat the trust as our client. We do not accept any liability for any obligations you may have to any third party such as company shareholders or trust beneficiaries.

## CLIENT CATEGORISATION

We are required by the FCA Rules to categorise all our clients and we accept the following categories of clients:

- Retail Client
- Professional Client

You will be categorised as a Retail Client unless we inform you in writing that you will be treated as a Professional Client. Retail Clients enjoy the greatest degree of investor protection and, if we inform you that you will be treated as a Professional Client, you have the right to request a re-categorisation that benefits from a higher degree of investor protection, although we are not obliged to agree to your request. We do not provide any client with the ability to request a lower level of investor protection than that they are eligible to receive.

## OUR FEES, CHARGES & COSTS, INCLUDING ADVISER CHARGES

Details of our fees and charges, including any 'adviser charges' (as defined in the FCA Rules), are set out in our brochures or supplementary documentation, under 'Fees & Charges'. You must pay our fees and charges (including VAT if applicable) and any amounts that we have paid on your behalf on the due date. We may deduct any outstanding fees and charges from any money we are holding on your behalf on any account and whether solely or jointly and/or act in accordance with the provisions set out in the section entitled 'Default Remedies' below.

We are required to provide you with a Pre Sales Cost Declaration for our managed services. This document will set out all the likely costs associated with running your portfolio and illustrate the effect such costs will have on likely performance.

You may also request a full cost disclosure statement at any point. This will include detailed costs and charges associated with your specific account.

## INDUCEMENTS

We may on occasion share our fees and commission with an external agent. Details of





any such fees or commission will be disclosed to you in accordance with the FCA Rules. Before entering into such fees and commission arrangements we take the necessary steps to ensure that you are not disadvantaged.

## JOINT ACCOUNTS, TRUSTS, COMPANIES & OTHER ENTITIES

The rights and obligations of all the account holders under this agreement are joint and several. This means that we will regard all parties to this agreement to be equal joint holders of the assets held on the account. Similarly we will hold all parties jointly and severally liable on the account and so they are individually bound to perform all of our Terms. We are entitled to act upon any instruction given by any party named on the account or by any other party to whom authority has been granted in writing. Unless requested otherwise we will send communications to the first named person on the account and we will deem all communications as having been given and received by all parties to the agreements. Any communications given by us to any of the parties will be deemed to have been given to all parties to the agreement.

All parties to an account may be required to sign new documentation where an additional named party is added subsequent to the initial account opening. Where a named party wishes to terminate their involvement with an account instructions to that effect must be provided by the departee whilst those parties with continuing involvement in the account must confirm their ongoing responsibility for all liabilities on the account.

For trusts, companies, charities and other entities we will require the documentation to be signed by a minimum of two persons and an LEI provided. We will accept instructions from and deal with a single nominated contact person who has been authorised on the entities' behalf and we are entitled to rely upon the instructions given by that person as properly authorised unless we are advised to the contrary. Communications from us, such as contract notes and valuations will be sent to the nominated person but arrangements can be made for additional copies to be issued to other persons when agreed between us. We reserve the right to charge for any additional copies requested.

## APPOINTING AN AGENT

You may appoint someone else to act as your agent for all the purposes of this agreement. We will not be legally responsible to you for acting on any instruction, permission or information given to us by your agent. To appoint an agent you must complete a letter of authority. You may also appoint an agent to your account by providing us with a copy of a

## Lasting Power of Attorney.

We may accept any instruction we believe, in good faith, to be from you, your agent, or any other third party authorised by you to act on your behalf, whether in writing, by telephone to our central switchboard or company direct dial numbers, email, facsimile or otherwise. We will not accept instructions made to our company mobile phones or any personal electronic device.

Should investment authority be altered, suspended or revoked you should notify us immediately in writing. You accept that if you fail to do so, we shall not be liable for any loss you may incur.

## DEATH

In the event that you as a sole account holder should die while a client, then immediately on notification of your death your account will be suspended and we may in our absolute discretion close out any transactions associated with that account. For an account in the name of two or more persons, on the death of one account holder it may be possible to treat the account as a "joint tenancy" account under which the total portfolio will pass to any remaining account holders subject to our agreeing additional terms with remaining account holders.

If you have an ISA where we act as Plan Manager, you will cease to be a qualifying individual under the HMRC regulations and your ISA will cease to enjoy any tax benefits from the date of your death.

After we have suspended your account, and until such time your personal representatives have established title to the accounts which will require them to send to us a certified copy of the grant of probate or letters of administration, as the case may be, covering the account we shall not accept any instructions over any account in your name or take any other action in respect of it and shall not be liable for any losses arising as a result. However, in respect of any investments to which you are entitled, over which you had given us a discretionary mandate and which are under our control, we in our sole discretion may, but are not obliged to, exercise voting rights, or take action in respect of subscription to any offer, take-over offer redemption, scheme of arrangement or any other entitlement, or exercise conversions, warrants or any other right.

Your account will continue to incur our usual fees and charges until it is closed.

## MONEY LAUNDERING

We are required to comply with UK anti-money



laundry law & and other regulations aimed at fighting terrorism and financial crime. You agree to provide documents and other evidence we require to enable us to comply with our obligations. We reserve the right not to accept payment, dealing instructions or remit funds if satisfactory evidence of identity of all relevant parties cannot be produced within reasonable time.

When you open a trust, company, charity or other entity account, we may be required to identify and, if necessary verify the identity of other related parties such as the beneficial owners of the account not just party named as account holder.

## DATA PROTECTION, VERIFICATION AND PRIVACY

GHC Capital Markets Limited are registered with the Information Commissioner's Office (ICO) as a "Data Controller" and we are both a data controller and data processor of the personal data you provide to us. We undertake at all times to comply with the provisions of the General Data Protection Regulation (GDPR) and to keep confidential all personal data maintained for the purposes of this agreement. A copy of our privacy statement that sets out important information for the processing of your data in relation to our services is available on our website or by contacting customer services.

## DISCLOSURE

We will not be obliged or have duty to disclose to you any facts or other matters that, in our opinion would or might involve a breach of duty or confidence to any other person or which comes to our notice, but does not come to the actual notice of the individual or individuals dealing with you.

## DEFAULT REMEDIES

Your attention is drawn to the fact that we, and our other group companies, have the following rights of security over your investments/assets, including each and every type and class, and reserve the following rights to sell or realise any investments, including dividends, interest payments and other entitlements which we are holding, or entitled to receive, on your behalf in order to meet any liabilities which you may have incurred to us.

All investments in your accounts will be continuing security for the payment and satisfaction, when due, of all indebtedness and liabilities of whatever nature including without limitation, any resulting from any commitment entered into for you and any of our costs and charges, whether paid or incurred in obtaining or attempting to obtain payment or

satisfaction from you in perfecting or enforcing this security, or otherwise, which may at any time be or become due or outstanding to us.

If such indebtedness and/or liabilities shall not be paid or satisfied when due, or if we consider that you have not performed or that you are unlikely to perform your obligations to us, we may, without reference to you:

- cancel, close out, terminate or reverse all or any contracts or open positions and sell or otherwise dispose of any such investments at whatever price and in whatever manner we at our absolute discretion think fit, without being responsible for any loss or diminution in price;
- enter into any other transaction or do anything that would or could have the effect of reducing or eliminating any such indebtedness and/or liabilities or of reducing or eliminating liability under any transactions, positions or commitments undertaken for you. If a winding-up order or bankruptcy petition is presented against you or if an order is made or, if applicable, an effective resolution passed for your winding-up or bankruptcy, all open transactions or positions will be deemed to have been cancelled or closed out at the then prevailing price. In those circumstances you will indemnify us for any loss we suffer until those transactions or positions are actually closed out;
- apply any proceeds of such sale or other disposal by, in or towards discharge of firstly, the cost incurred in such closure, sale or disposal and then, the indebtedness and/or liabilities concerned. These rights are without prejudice to any other rights of lien, set-off or combination of accounts we may have;
- charge interest on overdue balances at 5% over Bank of England Base Rate, or the equivalent Central Bank benchmark of the currency in which the liabilities have arisen, subject to a minimum administration fee;
- institute legal proceedings for recovery of the debt and charge legal and other collection costs to you.

Neither we nor any Custodian will be obliged to deliver to you or deal in any of your investments until we are satisfied in our absolute discretion that all your debts have been paid or discharged.

You undertake and represent and warrant to us that you are and will at all relevant times remain the beneficial owner of the investments and cash balances. Without prejudice to the generality of the preceding statement, you will not dispose of or transfer any interest in such investments or any such rights or



cash balances, and will not create (or have outstanding) any charge or security lien or encumbrance on or over any such investments or cash balances.

If you are invested in an Execution Only Nominee account you should note that where a debit arises on the account due to fees payable GHC Capital Markets Limited (GHCCM) reserves the absolute right to an auto sale of assets 30 days after the debit first appeared if the debit is not satisfied within that period.

Fees are charged quarterly and it is the Client's responsibility to ensure that cleared funds are available to clear any debit.

Please be advised that we do not issue letters to Clients to inform them that their account has become overdrawn or in debit due to fees.

If you are unsure as to the fees associated with your account please contact our Customer Services team on [customerservices@ghcl.co.uk](mailto:customerservices@ghcl.co.uk) or 0116 2045500.

In the event a debit other than relating to fees (for example, a dividend claim) has arisen GHCCM will issue one letter stating the reason for the debit and advising that we will auto-sell 30 days from the date of the letter if the debit has not been cleared during that period.

Any debits that have arisen from purchases (where there are insufficient funds to settle the transaction) will result in an auto-sale 2 business days following settlement.

Where your account is a standalone ISA or has an ISA element the ISA will be subject to ongoing internal audit and review. This is because as an ISA Manager we are required to adhere to HMRC's ISA Rules and Guidance which includes submitting statutory audits to HMRC annually.

Part of our obligations as an ISA Manager require us to ensure ISA accounts are not in debit and in the event this occurs take clear action to recover the debt. Therefore in accordance with the above should your ISA falls into debit GHCCM reserves the right to auto-sell securities to recover the amount outstanding.

In all instances we will always try to ensure that any sale will involve the most recently purchase security, but this cannot be guaranteed. You will receive a contract note detailing the security and date of trade execution following the transaction.

All Clients are advised to regularly check their portfolios online and to ensure that sufficient funds are deposited in their account to cover fees payable.

If you do not currently have access to our online portal please contact our Customer Services team who will be able to get this activated for you.

## CONFLICTS OF INTEREST

We provide a broad range of financial services including investment management, stockbroking, custody, and research to a variety of clients, including individuals, private companies, and trusts. These services are provided by employees, appointed representatives, agents and affiliates.

Given the range of our services and the circumstances in which they are delivered, the aims and interests of our clients and the companies within our group, the possibility of conflicts of interest cannot be completely avoided. However, our employees, appointed representatives, agents and affiliates are required to comply with a policy of independence and disregard any such interest when making recommendations to you. We are therefore required to maintain and operate effective organisational and administrative arrangements with a view to taking all reasonable steps to prevent conflicts of interest from adversely affecting the interests of our clients

We take all reasonable steps to identify conflicts of interest between you and us and our representatives and with any other client, in the course of providing services to you. Our conflicts of interest policy defines the steps that we take to identify, prevent, manage and/or disclose conflicts of interest when providing various investment and other services.

We also assess our conflicts of interest policy on a regular basis to ensure that all new conflicts are identified and our policies updated to address any new instances of conflicts that may arise.

A summary of our conflicts management arrangements is available on our website and can be provided on request.

## UNCLAIMED BALANCES

We may cease to treat as client money any balance(s) held for your account where those balances remain unclaimed provided that:

- i. there has been no movement on the account for six years except for payment or receipt of charges, interest or similar items;
- ii. we have taken the steps prescribed by CASS to trace you and return such balances; and
- iii. this is otherwise in accordance with the FCA Rules.

## ANTI-BRIBERY AND CORRUPTION POLICY

Bribery is a form of corruption. It is the giving, offering or promising, or requesting or agreeing



to receive, any gift, fee or other reward as an incentive to do something that is illegal, dishonest or a breach of trust for a private gain.

We do not sanction corrupt behaviour under any circumstances. We do not, nor will we ever, engage in bribery or corruption in any of our activities. We will always report any potential illegal activity or approach to the appropriate law enforcement agency. Our anti-bribery and corruption policy defines the steps that we take to identify, prevent, and manage bribery and corruption when dealing with us.

Our current anti-bribery and corruption policy is available on our website, with a printed copy available upon request.

## INVESTOR PROTECTION & COMPENSATION

As an FCA authorised and regulated firm we are covered by the Financial Services Compensation Scheme (FSCS). This scheme provides protection to certain types of investor, referred to as eligible claimants, in the event that a regulated firm is unable to meet claims made against that firm. The FSCS is therefore the “fund of last resort” after all other options have been exhausted. It is funded by a levy on member firms and is free to the general public. Information on the scheme and how it operates can be found at [www.fscs.org.uk](http://www.fscs.org.uk). Not all clients are covered by the scheme, not all types of investment are covered and there are limits on the size of a claim arising from investment business. A brochure is available from the FSCS that can be used to help clients determine if they are eligible to make a claim and the extent to which you may be covered by the scheme. Their website also provides guidance.

## LIABILITY FOR LOSS

We accept liability for losses, costs or expenses suffered by you only if such losses, costs or expenses are caused by the negligence or wilful default or fraud by us, our subsidiaries or employees. In particular we cannot provide any guarantee of future performance of investments purchased on your behalf and accept no liability in respect of losses that might occur through fluctuations in the price of any of the investments.

# Dealing

## ORDER INSTRUCTIONS

In respect of instructions received to deal on your behalf, we will be acting in reliance upon your instructions. You accept that you are responsible for ensuring that your instructions are clear and accurate. Any losses which may

arise by virtue of incorrect instructions will be your responsibility, this applies, without limitation, to any losses which you may suffer by reasons of inability (other than through our default) to deliver stock sold to the market by the due date, including losses arising by virtue of purchase of stock to meet your delivery obligations.

We accept no liability arising out of delays in completing instructions where instructions are given by fax, e-mail or in writing to our offices. You may only give instructions to sell investments where you own or have the right to sell. An instruction given by you forms an irrevocable commitment to buy or sell shares which cannot subsequently be cancelled except in good time prior to the execution of the instruction. When you place an order by telephone, our representative will repeat your instructions back to you to confirm the terms of your order prior to us accepting the order. It is your responsibility to check that the terms of your order are correct at the time. The terms of the order accepted by us will be those repeated back to you subject to any amendments you may notify to our representative at the time.

If we incur additional reasonable expenses (examples of which include, but are not limited to, premiums and discounts) when carrying out your order and we are unable to contact you to tell you about these after reasonable efforts to do so, we may proceed to execute your order and incur those expenses which will then be payable by you. We will not accept instructions made to our company mobile phones or any personal electronic device.

There may be a delay in the execution of an order because all orders are executed strictly by reference to time of receipt. In particular, an order received when the relevant exchange is closed will not be executed until after it next re-opens. We will present that order for execution when the exchange next re-opens or, if a large number of orders have been received while the market is closed, as soon as reasonably practicable after the exchange next re-opens.

In instructing GHCCM to execute an order or where the Client executes an order, the Client will comply with the FCA Rules and Exchange Rules including, without limitation, ensuring that any such transaction is suitable or appropriate for the Customer and does not involve market abuse. All bargains will be subject to Exchange Rules.

For the avoidance of doubt a transaction may be rolled over only once in accordance with Exchange Rules. GHCCM reserves the right to monitor Client trading and to refuse regular rolling of trades as that could give a false or misleading impression to the Market.



## ORDER EXECUTION POLICY

In accordance with the FCA Rules we have implemented an order execution policy which sets out the reasonable steps that we will take to obtain the best result for clients.

We are obliged to identify our top execution venues annually and this information will be posted on our website. You may request a copy of this information at any time.

Information on our order execution policy is set out in our order execution disclosure document which is available on our Website or upon request

## NON-STANDARD SETTLEMENT

Transactions of a trading nature on a nonstandard settlement basis will only be accepted at our sole discretion and you should be aware that trades for non-standard settlement could result in less advantageous terms. We may at our discretion require arrangements to be in place to use the services of GHC Nominees and for adequate collateral and/or margin to be provided and we also reserve the right to impose specific settlement terms on closing trades and extended nonstandard settlement in conducting business. This may also include a limit on the extent of non-standard settlement.

## ROLLOVER

London Stock Exchange rules only permit one consecutive roll-over transaction for an individual or connected party. The expression “roll-over” relates to a mechanism whereby a sale arises on a security and at the same time the holding is reacquired for a forward settlement date. We reserve the right to cancel any trade effected on your instruction given in breach of this Rule.

## LIMIT ORDER

Limit orders are orders which you give to us with specific parameters, for example, orders with a specific price or specific size which cannot be immediately executed.

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

without further reference to you.

The FCA Rules require your unexecuted limit orders to be made public unless you expressly instruct us not to make it public. We will only accept unexecuted limit orders where you expressly instruct us not to make such orders public and by giving us any such order you are expressly instructing us not to make your limit orders public.

We do not accept stop-loss orders.

## AGGREGATING ORDERS

You agree that we may combine your order and orders of other clients. By combining your orders with those of other clients we must reasonably believe that we will obtain a more favourable price than if your order had been executed separately. However, on occasions aggregation may result in you obtaining a less favourable price.

## CONTRACT NOTES

If you are an Advisory Managed, Advisory Dealing or Execution-Only client, we will issue a contract note for each transaction as evidence of the purchase or sale, unless we are not required to do so under the rules of the FCA. If you are a Discretionary Services client, unless you elect to receive individual contract notes for each transaction, you will not be sent contract notes but will instead receive, as part of your regular periodic reports, equivalent information regarding the transactions undertaken during that period. In all cases where we send contract notes, we aim to issue them on the day of the transaction. However, contract notes in respect of Unit Trust or OEIC transactions will normally be dispatched within 24 hours of receipt of confirmation from the respective fund manager or dealing agent. The contract note should be checked immediately on receipt to see that it accurately reflects your instructions.

## SHORT POSITIONS

We will not intentionally arrange any short position on your behalf. A short position arises when a person has contracted to sell investments which he does not currently own with the intention that, before he has to deliver the investments to the buyer, he will be able to buy them back at a price which is lower than that at which they were sold.

## CUM DIVIDEND, RIGHTS & BONUS

If you give us a sale instruction in securities for which a dividend has been paid to you and to which you are not entitled (“Cum Dividend”) you agree to pay us the amount of the dividend on receipt of our request for payment. This





amount will normally be debited to your account with us.

If you give us a sale instruction for securities with a rights, bonus or other entitlement you undertake to deliver to us all the appropriate documentation. If you do not, you authorise us to purchase the relative holding equivalent to the benefit due and agree to meet the purchase price and any costs or expenses incurred by us in doing so, including any transactions fees that apply.

## STABILISATION

Stabilisation enables the market price of a security to be maintained artificially 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 into the market for the first time, the price can sometimes drop for a time before buyers are found.

Stabilisation is being carried out by a 'stabilisation manager' (normally the firm chiefly responsible for bringing a new issue to market). As long as a strict set of rules are followed, he is entitled to buy back securities that were previously sold to investors or allotted to institutions, which 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 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, or of the price at which they are prepared to buy the securities.

The stabilisation rules:

- i. limit the period when a stabilising manager may stabilise a new issue;
- ii. fix the price at which he may stabilise (in the case of shares and warrants but not bonds); and
- iii. require him to disclose that he may be stabilising but not that he is actually doing so.

Please inform us if you do not wish to be advised in respect of such investments, or if you do not wish us to enter into transactions in such investments.

## UNDERWRITING

In respect of Investment Portfolio Accounts our Terms authorise us to underwrite or sub-underwrite any new or rights issues or offer for sale of securities, takeover or similar transactions that we believe to be suitable

investments appropriate to the objectives of the portfolio. No financial limit is set on the extent of underwriting or sub-underwriting.

## MARKET ABUSE

You agree that you will not, by deliberate or negligent act or omission, commit market abuse. Market abuse is defined in FSMA and includes distorting, misleading or taking unfair advantage of the market. It may include, for example, the placing of multiple orders simultaneously in the same investment with a view to dealing in a larger amount than the Normal Market Size. Market abuse is a civil offence for which you can be fined and ordered to pay unlimited restitution.

## CITY CODES, SUBSTANTIAL HOLDINGS ETC.

You must comply with all requirements under the City Code on Takeovers and Mergers including the Model Code issued under the UKLA Rules of the FCA and companies law and FCA requirements in dealings and holdings of investments and it is your responsibility to ensure that you are aware of all current thresholds and requirements and that you comply with these.

# Settlement

## SETTLEMENT

Payment for transactions must be made to us in cleared funds available to us at least two Business Days before the settlement date we specify to you.

If you wish to sell investments that are not held in GHC Nominees our normal settlement period will be 10 business days. There may be an extra cost for this and we reserve the right to require adequate deposit or collateral as margin prior to dealing.

You are expected to deliver to us certificates and signed transfer forms and other documentation required for the sale in all cases properly completed and in deliverable form, at least two Business days before the settlement date we specify to you. Any power of attorney or other similar documents must be noted or registered and otherwise perfected prior to the sale order. We will hold these certificates for the purpose of executing a sale or transfer only.

We regret that if we are not in possession of all relevant documents at least 2 Business Days before the transaction settlement date, we will have no alternative but to pass on any reasonable cost to you for late delivery.





In the case of private and unlisted companies where the delivery of a stock transfer and certificate is required, settlement will take place on a 'cash against registration' basis. Due to the manual nature of the settlement process for these types of transactions we give an estimated turnaround of six weeks, although in some cases the process may exceed this time line.

We do not accept instructions to deal in investments which are in bearer form and may in our sole discretion decline to deal in investments in certified form.

It is very important to settle purchases and sales promptly and dealing instructions should never be given if you are not able to settle promptly as the consequences can be very expensive. In particular settlement agencies, clearing houses, RIEs such as The London Stock Exchange, and CREST impose severe penalties on delays and the costs of this will be passed on to you.

We reserve the right in all cases to close out, at your expense, purchase or sale orders where full payment or complete sale documents have not been received by the intended settlement date, specified on your contract note.

Purchases and sales actually settled on the same date may be offset at our sole discretion.

If you pay us more than is required for settlement, we will repay the difference to you or apply the funds in accordance with any other agreement that we have in place with you at that time. If we pay you more than the amount due for settlement, you agree that you will promptly repay any amount due to us.

Where we have acted as your agent, it is the other party to the transaction and not us who is responsible for settling the trade with you and for delivery or payment and in these circumstances settlement of the transaction will be at your risk. Our obligation is only to credit you with or pass on to you such deliverable documents or sale proceeds as we actually receive.

Where GHC Capital Markets Limited (GHCCM) has participated on your instruction in a placing of shares, forward sales of those placing shares ahead of confirmed settlement by GHCCM (that is, the shares have been delivered or received by us on your behalf) in respect of companies that have a market capitalisation of less than £50m will not be permitted. Should you wish to sell placing shares in smaller companies where the market capitalisation is less than £50m you will be required to wait until GHCCM confirms receipt of the placing shares prior to selling.

Notwithstanding the above; GHCCM continues to reserve the right to refuse any instruction to sell securities, where available securities or cash are not available on your account to settle the

transaction, or for any other reason that it deems appropriate.

Where you are independently taken inside on a Market Sounding, that is free of GHC Capital Markets Limited (GHCCM) involvement, and subsequently accept shares via a placing, GHCCM reserves the right to refuse to sign the placing letter issued by the Corporate Broker and Company undertaking the placing. GHCCM will facilitate settlement of the placing shares into your account in accordance with any settlement agreement you may have with GHCCM, however, is not obliged to do so.

Whilst we will endeavour at all times to fulfil sale instructions you are advised that there may be occasions where it is impossible to sell a particular security held in our Custody. In these instances GHCCM bears no responsibility or liability and will retain the security in our Custody until such time as the issue can be resolved.

## REGISTRATION

You may hold your investments in one of the following ways:

- a. GHC Nominees, our wholly owned nontrading subsidiary;
- b. a nominee company specified by you and agreed by us;
- c. a Crest Personal Member account; and
- d. your name or a name nominated by you, in writing.

However share certificates and other documents evidencing title to investments in an ISA must be held in the name of GHC Nominees or as we may direct.

You should note that where GHC Capital Markets Limited (GHCCM) has participated on your instruction in a placing of shares that includes an entitlement to residual warrants, those warrants will be registered in your own name. GHCCM will instruct the Corporate Broker acting on behalf of the Company who is placing the shares to register the entitlement in your own name and send the certificate by post to the address we hold on our records, at your own risk.

Where you do participate in a placing that entitles you to residual warrants you understand and accept that we may have to divulge your personal information to a third party (the Corporate Broker acting on behalf of the Company and/or the Registrar of the Company placing the shares) in order to facilitate the issue of warrants to which you may be entitled.

## CERTIFICATES

You may instruct us in writing to register investments purchased through us in your



name or the name of some other person (which may not be us or an affiliate of ours) whom you specify. If you do so instruct us, the consequences of registration carried out in accordance with your instructions are entirely your risk.

For any investment where you have instructed us obtain a share certificate and the investment is not capable of being held in certificated form you agree that we may hold the investment on your behalf in GHC Nominees in electronic form.

We will not be responsible for the safe delivery of certificates to you after we have posted them which shall be at your own risk unless we agree otherwise in writing. Please contact us if you require us to send the certificates to you by registered post.

## LIEN

Title to investments purchased will not pass until full payment has been received by us in cleared funds. This clause is in addition to our clause on 'Default Remedies'.

# Custody of Assets

## NOMINEE SERVICE

Registration of all investments will be made into the name of our non-trading subsidiary, GHC Nominees, with most UK investments being lodged in CREST, the custodian and clearance system. We will identify, record and hold all clients assets separately from any of our own investments and other assets, and in such a way that we can identify the assets at any time. You should be aware that we will pool your securities, unless we have agreed otherwise, with those of one or more other clients. If this is the case, your entitlement may not be identifiable by separate certificates or other means, and in the event of an irreconcilable shortfall following the default of a custodian, this will be shared by investors in proportion to your original share of the assets in the pool. However, your attention is drawn to the section below entitled Security.

We may appoint sub-custodians to hold assets for clients. Those assets will usually be held in a pooled account with other clients of the subcustodian to our order and will be identified as belonging to you only in our books and records. The broad effect of this is that if there is a shortfall as a result of the sub-custodian suffering financial loss, you may share in that shortfall with the other clients of the sub-custodian, depending on the amount you had held with them.

In the event that your custody investments have to be held abroad other than in the name of GHC Nominees by another eligible custodian, you will be advised of their identity but we will not accept responsibility in the event of default by that

eligible custodian. As a consequence of this your investments may not be segregated from investments belonging to the eligible custodian and therefore your protection may be less should default occur on the part of the person in whose name the investments are registered or recorded. Investments belonging to you which are held overseas may be subject to different settlement, legal and regulatory requirements than those which apply within the United Kingdom. Where your portfolio contains international holdings these may be held in custody by SIX SIS AG., who we have engaged as a third party Custodian to hold international stocks.

In accordance with their legal entitlement SIX SIS AG has the right of lien, retention and set off over any securities credited to the Safe Custody account established on behalf of GHC Capital Markets Limited.

You may instruct us in writing to register investments held in GHC Nominees in the name of another person (which may not be us or an affiliate of ours) whom you specify. If you instruct us to do this, this will be carried out in accordance with your instructions but entirely at your risk.

We will provide an annual custody statements for any stock held in safe custody on your behalf.

## CIRCULARS, DIVIDENDS AND SHAREHOLDER BENEFITS

We will account to the beneficial owner promptly for all dividends, interest payments and other rights accruing to that holder, in relation to exercising conversion and subscription rights and voting rights regarding the holdings. We will not be required to attend, speak, or vote at any meeting of the holders of any investments held by GHC Nominees.

As a rule, decisions over corporate actions, rights issues, take-overs, etc., will be made on your behalf if you give us discretion to manage your portfolio. Alternatively, we will contact you and seek your instructions.

Where you are a Client of our Execution Only or Advisory Services we will undertake on a best endeavours to contact you by your chosen method in respect of corporate actions, rights issues, take-overs, etc. Please be advised, however, that we bear no liability or responsibility for the non-delivery of any communication howsoever sent. Our responsibility commences when we have received and acknowledged your instructions.

In the case of a scrip dividend our default option is to elect to take any cash alternative and we will not be responsible for informing you that any scrip alternative exists but at our sole discretion and in certain circumstances and upon request and subject to payment of our reasonable charges we will use our reasonable endeavours to obtain the scrip



alternative for you.

Company reports & accounts are received by us and can be forwarded to you upon request (subject to payment of our charges). Certain companies provide shareholders with “perks” such as discounts on products or services; however where a beneficial interest is held via a nominee company, these “perks” may in some circumstances be lost. Where benefits are given to nominee account holders and you request us to pass these to you we will attempt to do this on your behalf subject to payment of our charges for so doing but you should be aware that the costs may outweigh the benefit of the perks we attempt to obtain on your behalf.

## LENDING YOUR INVESTMENTS

Except as provided in these Terms, we will not sell, transfer, surrender, lend or pledge your investments without your instructions.

## LIABILITY

In acting as custodian or nominee, we accept responsibility for all securities registered in the name of our nominee companies or affiliated companies. However, we occasionally have to use sub-custodians and clearing agents and may use delegates in limited circumstances. We will not be liable for any act or failure to act, or for the solvency, of any of our chosen delegates, sub-custodians or clearing agents if they are not our nominee or an affiliated company. This applies if we chose them and have monitored their performance with care and skill, unless any loss arises from fraud, deliberate failure or negligence on our part. If any of these companies suffers severe financial loss or becomes insolvent, you may not get back all of your assets. We will do all we reasonably can to recover any loss on your behalf.

## SECURITY

Clients retaining securities in GHC Nominees name are protected by the Financial Services Compensation Scheme. We are liable for all the debts and obligations of GHC Nominees, and in the event of a subsequent default by us the beneficial owner will be able to submit a claim under the Scheme. Further information on the scheme is given in the section entitled INVESTOR PROTECTION & COMPENSATION.

We also maintain insurance policies to protect us and clients against fraud, misappropriation or theft of any clients’ assets under the control of GHC Nominees.

## DEPOSITS

We will hold your money as client money in accordance with FCA Rules. Among other

things, these say that we must hold your money in a client bank account, set up with statutory trust status. This means we will separate your funds from our own funds. We may hold your money with other clients’ money in a pooled account, which has been named as a client bank account. This means that we hold client money as part of a common pool of money, so you do not have a claim against a specific amount in a specific account. You would make your claim against the client money pool in general. If any bank we use were to fail for any reason, you would share a percentage of the shortfall depending on your original share of the assets in the pool. Pooled property may be used for the account of any of the relevant clients.

We may pass your money to another organisation, such as an exchange, intermediate broker, over-the-counter organisation or clearing house, to hold or control so we can carry out a transaction through or with that person or to meet your responsibility to provide collateral, for example, margin for a transaction. We will have no responsibility for any acts, or failure to act, of any organisation we pass your money to. Those organisations may have a security interest over or right to use that money as a result of any money owed to them. The organisation we pass your money to may hold it in a general account and it may not be possible to separate it from our money, or their money. If the organisation becomes insolvent, we will only have an unsecured claim against the organisation on your and our other clients’ behalf. You realise that this means the other organisation may not pay us enough money to cover the claims of you and all other clients.

We may pass your money to an intermediate broker, settlement agent or organisation which may be based outside the EEA. In these circumstances, the law and regulations which apply to the bank, broker, agent or organisation holding your money will be different from that of the UK or other EEA states. If the bank, broker, agent or organisation is unable to return your money, it may be treated differently from the position which would apply if the money was in an EEA state.

Please note that we do not pay interest on clients’ funds unless agreed by us in writing, which agreement, if applicable, will normally be stated under the Fees and Charges section of our service brochure or application pack.

You should regularly monitor the levels of cash held in your account. You are reminded that GHCCM is not a deposit-taker and where we may pay interest on client money held although we are not obliged to, any interest payable by us may not be the best available to you.

You should not hold cash on deposit in your account with GHC unless it is for investment purposes or its retention is for the payment of projected fees or other cash claims.



## VALUATIONS AND TAX DEDUCTIONS

Where we are managing investment portfolios on your behalf we are required to send you a periodic statement of valuation and portfolio costs. The valuation shall be provided every three months either in hard copy form or via email, dependent on your instructions. A portfolio cost disclosure is an annual requirement, however, we may choose to provide this as part of your quarterly statement.

If you use our custody services, including GHC Nominees, or our Discretionary Services, we will provide valuations of and statements on your investments in accordance with the FCA Rules. Generally we provide valuations as at the close of business 5th January, April, July and October of each year.

Where you have specified the use of another nominee then we may rely on valuations provided by them.

You can be provided with ad hoc valuations for legal and tax purposes, such as for probate, subject to our standard charges.

We will value your investments using a price feed which we reasonably determine from independent service providers or quotations from independent market makers or dealers in the investment concerned. However, if we determine that valuation data is not available from such sources or it is inappropriate to use such sources, we may value investments at such value as we reasonably consider fairly reflects the current value of such investment. Statements are based on trade date information for cash balances and assets held in safe custody. You will notify us as soon as possible of any errors contained in any statement.

In the case of private and unlisted companies the last known trade price, where available, will be used for valuation purposes. In certain circumstances, where no last known trade price is available, a zero value will be used for valuation purposes.

We will use reasonable endeavours to forward to you any tax documents which we may receive relating to you, your investments or any of your money we hold and if you use the services of GHC Nominees we will send you an annual consolidated tax certificate after the end of the fiscal year without charge. If you request a consolidated tax certificate for the calendar year or any other period or if you require a duplicate or replacement consolidated tax certificate or a capital gains tax report, bank interest certificates or composite tax vouchers/certificates then we will apply our standard charge for this.

## ISAs

### ISA APPLICATIONS

If you are a qualifying individual you may apply for an ISA with us. Qualifying individual within the meaning of the HMRC regulations, means an individual who is 18 years or over, has not subscribed to another ISA, or another ISA of the same component, during the tax year in which he makes an application to open an ISA. When you apply for an ISA with us you will be deemed to make the following representations that you are:

- 18 years or over, have not subscribed to another ISA, or another ISA of the same component, during the tax year in which you make an application to open an ISA;
- resident in the United Kingdom for tax purposes or, if not so resident, either perform duties which, by virtue of Section 28 of the Income Tax (Earnings & Pensions) Act 2003 are deemed as a crown employee serving overseas, are being treated as being performed in the United Kingdom, or are married to, or in a civil partnership with, a person who performs such duties. You will inform us if you cease to be so resident or to perform such duties or be married to, or in a civil partnership with, a person who performs such duties.

Subscriptions for ISAs must be made in cash, from your own resources, and not exceed the relevant statutory limit as permitted by HMRC regulations.

The initial subscription to open an ISA must be made by completion of an application form. The ISA will remain open for the tax year in which a valid application is made and each subsequent tax year until further notice provided a subscription is made during each subsequent tax year. If no subscription is made over a whole tax year you will be required to complete a new ISA application form before any further subscriptions can be made, although your existing ISA may remain open subject to HMRC regulations.

We agree to act as the Plan Manager on receipt of a valid application, subject to our Terms and HMRC regulations.

### JUNIOR ISAS

A person who is under 18 years of age who does not hold a Child Trust Fund under the Child Trust Funds Act 2004 and is either resident and ordinarily resident in the United Kingdom or subject to United Kingdom tax under Section 28 of the Income Tax (Earnings and Pensions) Act 2003 (the 'Child') may hold a junior ISA provided that another person who has parental responsibility for the Child must



open the junior ISA and operate the junior ISA as if they were the Child until either the Child becomes 16 years of age and assume direct responsibility for the junior ISA or the Child becomes 18 years of age.

When the Child reaches the age of 18 years, the junior ISA will close to new subscriptions and matured funds may be withdrawn from the junior ISA unless the Child wishes it to mature into an adult ISA, in which case, no withdrawals may be made nor new funds added until all steps to set up the adult ISA has been completed. We will write to the Child before he/she turns 18 with more details about the junior ISA and the steps that need to be taken.

## TRANSFERS FROM ANOTHER PLAN MANAGER

Transfers from another Plan Manager may be accepted in either cash or stock transfer, arising solely from that ISA but at our sole discretion.

## INVESTMENTS

Investments must be made in accordance with the HMRC regulations. We reserve the right to exclude any investments at our discretion.

## CASH HELD WITHIN AN ISA

Cash is not a qualifying investment, and may only be held for the purpose of investing in qualifying investments. An ISA must not be used for the express purpose of sheltering interest from tax.

HMRC regulations do not allow cash to remain un-invested indefinitely and in addition you may be subject to a flat charge due to us on the un-invested cash as set out in our brochures or supplementary documentation, under 'Fees & Charges'. We will write to you on a periodic basis if your ISA has acquired substantial cash balances, reminding you of the HMRC regulations and the options available to you.

## NON-QUALIFYING INVESTMENTS

Details of what constitutes a qualifying investment for an ISA are available upon request and you purchase an investment which is not such a qualifying investment at your own risk. In particular, HMRC regulations do not allow a ISA to hold warrants or certain other rights, which may apply to an investment. If an investment in your ISA ceases to be a qualifying investment or is determined by us not to be a qualifying investment we will write to you to give you the option to instruct us by a specified date to sell the non-qualifying investment or alternatively to withdraw the

non-qualifying investment from your plan but if we do not receive instructions from you by the specified date we sell the non-qualifying investment.

## TAX CLAIMS & DEDUCTIONS

You authorise the Plan Manager to make all necessary claims or deductions in respect of taxes, as required, in respect of investments and income there from in accordance with HMRC regulations and otherwise as the Plan Manager considers necessary.

## VOIDING OF THE ISA

When an ISA is rendered void due to your fault, including any irregularity that arises over transferred shares, you will indemnify the Plan Manager against any claims or losses that arise through such fault.

## CALLS AND OFFERS

In certain circumstances you can apply for public offers of shares in qualifying investments using cash held within an ISA. If you are using sale proceeds, the funds from the transaction must be available before the deadline to take up the offer. Payment of any calls or instalments due must be made from cash held or generated within an ISA and if you wish to use funds in an ISA take up any offer you must ensure that all transactions have been fully settled and notify us of your instructions before the deadline date.

# Communication

## LANGUAGE

We will communicate with each other in English and documents and other information that we supply will be in English.

## TELEPHONE CALLS

Telephone calls may be recorded for training, monitoring and any other purposes permitted by law. These records are our property and we may use them in evidence if there is a dispute between us. You should be aware that you may be contacted by us to discuss investments and that this will be between the hours of 8am and 8pm Monday to Friday UK local time unless you expressly instruct us otherwise. We will not accept instructions made to our company mobile phones or any personal electronic device.

## USE OF WEBSITE AND ELECTRONIC COMMUNICATION





- It is a condition of the provision of our Website to you that:
- you will not disclose the specific login details issued in confidence to you on setting up your account (by act or omission) or allow them to be disclosed to any other person, and you will take all appropriate measures to prevent any third party gaining access to them;
- immediately on becoming aware that another party has acquired knowledge of your login details, you will:
- cease to make further use of them;
- contact our customer services department:

and

- follow this at once with confirmation in writing, fax or by email;
- until our customer services department receives such written confirmation from you, you will be exclusively responsible for any instructions placed or purported to be placed by you under your login details, and we shall be entitled to treat all such instructions as authentic;
- you hereby consent specifically to the provision by us to you of information required by the FCA Rules by means of a Website without it being addressed personally to you, where we notify you electronically of the address of the website and the place on the website where the information can be accessed; and
- in respect of the above you are responsible for providing us with a correct email address.

## RELIABILITY OF SERVICE AND CONTENT

Although we will use all reasonable endeavours to provide you with continuous access to our Website, we do not guarantee or represent that we can do so since neither we nor any other party has any control over the Internet, which is a global decentralised network of computer systems. You acknowledge that the services may not be error free, that they may be interrupted and can be variable.

We reserve the right to suspend our services on occasions in order to maintain or repair our Website related software, or if at any time we are unable for whatever reason to ensure the integrity of the service

You understand that while you may be able to access certain research reports that we provide through the Website, the availability of such information does not constitute a recommendation to buy, sell or otherwise trade all or any of the investments mentioned therein. Neither we nor any Person connected

with us nor our agents nor our suppliers make any representation as to the accuracy, completeness or timeliness of any information or opinions made available to you on the Website. No information or opinions on the Website constitute an offer of solicitation by us or a Person connected with us to buy, sell or deal otherwise in any particular investments. You should seek professional advice as to the suitability of any investment referred to on the Website.

## ABUSE, CORRUPTION OR MISUSED EQUIPMENT, TRANSMISSION OR DATA

We use reasonable endeavours to ensure that the data on the Website is accurate and to correct any errors or omissions within our control as soon as practicable after we become aware of them. However, we do not guarantee that the Website and any stock related or other information available from it will be error free or uninterrupted. We will not be liable for any inaccuracy, errors or omissions in the stock related information which may be caused (including the electronic transmission of data, content, material and information over the information or decryption of it by others) or for any damages resulting therefrom.

You agree that you are fully aware of the fact that the information accessible over the Internet may contain viruses or other harmful and destructive components.

For the reasons set out above you agree to accept the services “as is” and “as available” without any warranty of any kind either express or implied, including but not limited to warranties of merchantability, speed of data transmission, of any kind whatsoever, fitness or purpose, title or non-infringement.

You are responsible for providing and maintaining at an appropriate standard the computer and communications equipment necessary for accessing and using the Website and for all fees and charges incurred by you in such access and use.

You will not use the Website for any unlawful, obscene, abusive or libellous purpose.

## LIABILITY

You accept that we have no liability to you, arising from breach of confidentiality or otherwise, if through no fault of our own any other person sees any communication that is deemed to have been delivered to your email address. You acknowledge that any third party you may have appointed to act on your behalf in connection with your account (or to whom you have given consent to view your account) will, once authorised by us, be able to view your account details online for administrative purposes only. Such authorisation includes the imposition on the third party of our normal





security measures.

We obtain and display on our Website information from third party sources and although we believe them to be of good repute we do not check or monitor it, and we accept no responsibility for the accuracy or timeliness of process or any other information obtained from such third parties.

We cannot be held liable and will not be liable under any circumstances, for any loss or damages of any kind which results or may result from your use of the Website (including but not limited to system errors, deletion or loss of files, defects or delays in transmission of instructions or other information, any failure of our server or the internet, or any other event beyond our control) or your access to the internet or use thereof for any purpose whatsoever or for any reliance on or use of information received on or through the Website or the internet. You agree that your sole and exclusive remedy if dissatisfied with the Website for any reason whatsoever, is termination of our services, in accordance with the provisions of this agreement.

## ELECTRONIC COMMUNICATIONS

The inherent difficulties of Electronic Communications means that we cannot accept responsibility for the transmission or the reception of (or the failure to transmit or to receive) material where such transmission, reception or failure is caused by or relates to your own systems or that of a third party unconnected to us.

It is your responsibility to advise us of your current and correct email or other electronic address, including that address to which you may elect to have us send communications under our Terms (including for example in relation to Contract Notes clause).

If you communicate with us from an email or other address that we do not recognise, we shall not act on any instruction contained in it. We also reserve the right to cease or temporarily suspend Electronic Communications and begin communication with you by post, fax or by telephone if, in our reasonable opinions, we consider that this is prudent or necessary (for example, to ensure information security, to comply with the Rules or if we receive an automatically generated message indicating that our Electronic Communication transmitted to you has failed to reach its intended recipient).

Instructions given to us by Electronic Communications are effective when we receive them. You cannot assume that we have received any electronic communication until we have confirmed to you that we have received it by either expressly confirming receipt or by acting upon it.

# General Terms

## THE QUALITY OF OUR SERVICE

We aim to maintain the highest standards, but even in the best-run organisations things sometimes go wrong. Often these issues are simple misunderstandings, but however trifling or serious they are your Account Executive should be able to resolve them for you. If this fails to satisfy you then please write to the Compliance Department at our registered Office. We are subject to the independent jurisdiction of the Financial Ombudsman Service and, where you are categorised as a Retail Client, your complaint will be dealt with in accordance with the Rules. However, you should note that if you are categorised as a Professional Client you may not be eligible to certain courses of redress. A copy of our complaints procedure for complainants is available on request. You should note that if you have been classified as a Professional Client you may lose your right of redress to the Financial Ombudsman Service.

## COMPLAINTS

If you have a complaint, you should contact our compliance team at our registered office, details of which are given in this document, who will acknowledge the issue, investigate the circumstances and then report back to you with their findings. A copy of the procedures we follow in handling complaints is available on request. If you feel that we have failed to handle your complaint to your satisfaction you have the right to complain to the independent Financial Ombudsman Service (FOS), details of which will be provided to you, if you are an eligible complainant, as defined by the FCA Rules.

## AMENDMENTS

We may amend our Terms (including changes to applicable fees and commissions) by giving you at least 30 days' notice. We will only make changes for good reason including but not limited to:

- making them clearer and more favourable to you;
- reflecting legitimate increases or reductions in the cost of providing the service to you;
- providing for the introduction of new systems, services, changes in technology and products;
- rectifying any mistakes that may be discovered in due course;
- reflecting a change of applicable law or regulation.



If we amend our Terms for valid reasons that are not specified in this agreement and you are not happy with those changes, we will waive the existing account transfer/closure fee should you wish to transfer or close your account.

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

## FORCE MAJEURE

Under no circumstances whatsoever shall we be responsible or liable for any claim, loss, damage, expense or cost however suffered arising in consequence of any breach, failure to perform or delay in performing any of our obligations to you arising from:

- any matters outside our control;
- any breakdown in communications, whether between us and you or any other third party through whom we are dealing on your behalf;
- any regulatory ban on our activities;
- anything done or omitted to be done, or delayed in performance arising from the absence or inaccuracy of any information provided to us or on your behalf or any exchange or intermediate broker or other third party through whom we are dealing on your behalf.

We will not be responsible or liable for any consequential losses, except where the losses arise as a result of our wilful default, negligence or our breach of FCA rules. Nor shall we be liable for the tax consequences of any transaction which we may effect for you.

## COPYRIGHT

All information and opinions communicated via us either on the Website, documentation or other media are protected by copyright and other intellectual property laws. They may be displayed and printed for your personal non-commercial use only. You agree not to reproduce, transmit or distribute them to anyone (including, but not limited to, bulletin boards, mailing lists or newsgroups) without our prior written consent.

## JURISDICTION & OTHER MATTERS

All transactions undertaken by us are subject to the Rules and/or, where applicable, the customs, rules and regulations of the exchange or the market where the deal is executed.

Our Terms and our legal relationship with you

will be governed by English Law. The English Courts are to have jurisdiction to settle any disputes or claims which may arise out of or in connection with our Terms and our legal relationship with you and both we and you agree to the exclusive jurisdiction of the English Courts.

No amendment to our Terms will affect any outstanding order or transaction or any legal rights or obligations, which may already have arisen.

## REGULATOR

We are regulated by the Financial Conduct Authority, whose address is:

12 Endeavour Square  
London  
E20 1JN

The FCA website may be found at [www.fca.org.uk](http://www.fca.org.uk)

Our FCA reference number is 152998

## REGISTERED OFFICE

GHC Capital Markets Limited  
22-30 Horsefair Street  
Leicester  
LE1 5BD

We are registered in England & Wales under number: 3113332

T: (0116) 204 5500  
F: (0116) 254 3621  
E: [customerservices@ghcl.co.uk](mailto:customerservices@ghcl.co.uk)  
W: [www.ghccapitalmarkets.co.uk](http://www.ghccapitalmarkets.co.uk)



GHC Capital Markets Limited  
22-30 Horsefair Street  
Leicester LE1 5BD

**Dealer direct dial**  
**Switchboard**  
**Email**  
**Website**

8am - 4.30pm    0345 707 0425  
9am - 5.30pm    0116 204 5500  
customerservices@ghcl.co.uk  
www.ghcl.co.uk

Registered in England number 3113332  
Registered office: 22-30 Horsefair Street Leicester LE1 5BD  
Authorised and regulated by the Financial Conduct Authority  
© GHC Capital Markets Limited 2024