

# Terms and Conditions

---

A comprehensive guide to our provision of services, your responsibilities, opening your account, dealing, settlements, and many other aspects of our share dealing services

<b>About Redmayne-Bentley</b>	<b>2</b>
<b>Introduction</b>	<b>3</b>
<b>Definitions:</b> Key Terms Explained	<b>3</b>
<b>Provision of Services</b>	<b>7</b>
<b>Your Responsibilities</b>	<b>10</b>
<b>Opening your Account</b>	<b>11</b>
<b>Dealing:</b> Buying and Selling Shares	<b>12</b>
<b>Overseas Dealing:</b> Buying and Selling on Overseas Markets	<b>16</b>
<b>Settlement for Sales</b>	<b>16</b>
<b>Settlement for Purchases</b>	<b>17</b>
<b>Client Money:</b> How We Look After Your Money	<b>19</b>
<b>Fees and Charges</b>	<b>19</b>
<b>Custody:</b> How We Will Look After Your Investments	<b>20</b>
<b>Dividends, Income and Corporate Actions</b>	<b>21</b>
<b>Communications, Reporting and Shareholder Communications</b>	<b>24</b>
<b>Data Protection:</b> How Your Personal Data will be Used	<b>26</b>
<b>Account Closure:</b> How to Close Your Account	<b>27</b>

# About Redmayne-Bentley

---

Established in Leeds in 1875, Redmayne-Bentley has become one of the UK's leading independent private client stockbroking firms, with over 30 branches nationwide.

We offer a personal stockbroking service, based on traditional values. With direct access to qualified stockbrokers and experienced investment managers, you can also benefit from a range of regular communications and free seminars.

We provide a flexible range of investment services and vehicles and are happy to work with advisors such as your accountant, solicitor or Independent Financial Advisor (IFA).

We are proud of our recognition within the industry, having received awards nominated by the readers of both *Investors' Chronicle* and *Shares Magazine* for more than ten consecutive years.

## Our Services

- Share Dealing:  
UK and Overseas Equities, Preference Shares, Investment Trusts, Unit Trusts, Exchange Traded Funds (ETFs), Exchange Traded Commodities (ETCs), Open Ended Investment Company (OEICs), Gilt-Edged Stock (Gilts), Debentures and Loan Stock, Permanent Interest Bearing Shares (PIBs), Eurobonds
- Investment Management Services:  
Advisory and Discretionary Portfolio Management
- Individual Savings Accounts (ISAs)
- Pension Accounts including Self-Invested Personal Pensions (SIPPs)
- Child Trust Funds (CTFs)
- Plan Bee: Monthly Stock Market Investment (from £50)
- Portfolio and Probate Valuations
- Options and Derivatives
- Contracts for Difference (CFDs)

# Introduction

---

These Terms and Conditions will take effect as soon as we have accepted you as a client. Please read them carefully as they set out the basis upon which we will offer our dealing services to you. This document should be read in conjunction with *A Guide to Our Services and Charges* and/or any other applicable service/product literature. By registering with us and using our dealing services you confirm your acceptance to these Terms and Conditions and understand that they (together with or without any application or agreement form) constitute a legally binding agreement in English law between you and us.

# Definitions

---

## **AGREEMENT**

A completed application form or agreement in respect of any service that we offer.

## **BACS**

Bankers Automated Clearing System.

## **BUSINESS DAYS**

Days during which the London Stock Exchange and banks in England and Wales are open for business, with the exception of weekends.

## **CLIENT MONEY RULES**

As defined in the Financial Services Authority rules.

## **COMPLEX INSTRUMENTS**

Securities which may contain a higher degree of risk. This includes Derivatives, Futures, Warrants and certain other Investments.

## **CTF**

Child Trust Fund regulations 2004 and also any new regulations or changes to them.

## **DEALING HOURS**

Currently 0800 to 1630 Monday to Friday.

## **DEPOSIT ACCOUNT**

An account opened and operated by us with a United Kingdom bank or building society (which is a member of the United Kingdom Financial Services Compensation Scheme) for use in connection with your account.

## **EUROCLEAR**

The centralised system for the settlement of securities traded on the London Stock Exchange, otherwise known as Crest.

## **EXECUTION-ONLY**

We act on your instructions and offer no advice as to whether such an investment is suitable for you.

## **FSA**

The Financial Services Authority.

## **INCOME PAYMENT**

The payment by a company of income arising in the form of a dividend, interest or distribution.

## **INTEREST**

A calculation based on the sterling base rate as defined by the Bank of England.

## **ISA**

Individual Savings Account regulations 1998 and also any new regulations or changes to them.

## **LSE**

The London Stock Exchange.

---

**MiFID**

Markets in Financial Instruments Directive.

**MINOR**

Any person who has not attained the UK legal age of majority.

**MULTILATERAL TRADING FACILITY**

A regulated market operating in accordance with the provisions of the regulations as defined under MiFID.

**NOMINEE**

Redmayne (Nominees) Limited or any other Nominee company appointed by Redmayne-Bentley from time to time that we decide to use.

**OEIC**

Open Ended Investment Company.

**OPTIONAL CORPORATE ACTION**

An opportunity to purchase or subscribe for new shares. These are commonly known as a Rights Issue or Open Offer.

**PIBS**

Permanent Interest Bearing Shares. A share issued by building societies which pay a fixed rate of interest rather than a dividend.

**PROSHARE**

An independent, not for profit organisation whose aim is to promote responsible share based investment.

**QUALIFYING INVESTMENT**

Stocks and shares and/or cash which can be held in an approved Tax efficient vehicle; such as an Individual Saving Account (ISA) or Child Trust Fund (CTF) in accordance with the regulations. Stocks and shares means United Kingdom (UK), European Community (EC) and certain other Foreign equities officially listed on a recognised stock exchange. Qualifying Investment Trusts, Unit Trusts, Open Ended Investment

Company (OEIC), Gilts, Corporate Bonds and convertibles officially listed on a recognised stock exchange.

## **RELEVANT LAW**

All laws, regulations, rules and customs which apply to us and any transaction which we carry out for you. It includes the ISA Regulations, Rules of Financial Services Authority and any other relevant regulator, and the rules, customs and practices of LSE and of any other market or exchange on which a transaction is carried out.

## **RETAIL CLIENT**

As defined under the Financial Services Authority rules, a client who is not a market counterparty or an intermediate customer.

## **SIPP**

Self Invested Personal Pension.

## **T+3**

Settlement is due three working days after the trade date. This is the standard settlement period under which transactions are normally entered into.

## **TAX YEAR**

A period commencing on 6th April in each calendar year and ending on 5th April in the following calendar year.

## **TERMS**

These Terms and Conditions of service and any versions which may supersede them at the time of any subsequent subscription/ application completed by you.

## **WE, US, OUR**

Redmayne-Bentley, its associated limited companies and our branch network.

## **YOU, YOUR, YOURS, YOURSELF, CLIENT**

An individual, joint account holder or other legal entity, who has opened an account under these Terms and Conditions and to whom we provide services.

# Our Terms and Conditions

## 1. Provision of Services

**1.1** Redmayne-Bentley Stockbrokers is a trading name of Redmayne-Bentley LLP, a limited liability partnership, authorised and regulated by the Financial Services Authority (FSA) and we are a member of the London Stock Exchange (LSE). Registered in England and Wales No. OC344361. Our registered office is Merton House, 84 Albion Street, Leeds LS1 6AG. **Our telephone number is 0113 243 6941.**

**1.2** Our service encompasses general investment, discretionary, advisory and dealing facilities to enable you to trade in securities and derivatives (including margined transactions, as defined by the FSA rules).

**1.3** Transactions in Complex Instruments may involve significant risks and be unsuitable for many people. You should not deal in these unless you understand the nature of the contracts (and contractual relationships) you are entering into and the extent of your exposure to risk. If operating your account on an execution-only basis we will need to be satisfied that the transaction in question is suitable for you in light of your experience, objectives, financial resources and other relevant circumstances.

**1.4** We may deal for you in circumstances in which the relevant deal is not regulated by the rules of any investment exchange, ie. unquoted investments.

**1.5** Minors cannot use our service. Designated accounts may be held for minors but they must be operated by a person over 18 years.

**1.6** For the purposes of the FSA rules, we will treat you as a Retail Client. You are entitled to request a different classification, but this would result in a lower level of regulatory protection. As such it is our policy normally to decline such requests. You should contact us if you require any further details. If you are acting as an agent for someone else, we will treat you alone as our customer for the purposes of the FSA rules and you will be liable to that person in respect of your transactions. We will ensure that in dealing for you we act in your best interests and have available a conflicts of interest policy which sets out our standards. This is available upon request or via our website [www.redmayne.co.uk](http://www.redmayne.co.uk)

**1.7** We may enter into transactions on your behalf in non-readily realisable investments or Complex Instruments. You may have difficulty selling these investments at a reasonable price and, in some circumstances it may be difficult to sell at any price. Do not invest in these unless you have carefully thought about whether you can afford to and whether they are right for you.

**1.8** You should be aware that the price and value of any investments and the income, if any, from them, can fluctuate and may fall. You may get back less than the amount originally invested or even lose the full amount. Information on past performance, where given, is not necessarily a guide to future performance. Exchange rate fluctuations may have an adverse effect on the value of investments.

**1.9** There is an extra risk of losing money when shares are bought in some smaller companies. There is often a big difference between the buying and selling price of these shares. If they have to be sold immediately, you may get back much less than you paid for them. The price may change quickly and it may go down as well as up.

**1.10** In accepting responsibility for the suitability of any Advisory or Discretionary investment advice or transaction(s), we do so, on the basis that we will exercise reasonable diligence, skill and care, in the light of circumstances which are known to us at the time.

**1.11** We may not deal in United States of America (or other jurisdictions) securities on your account until we have received signed documentation as required by the appropriate authorities.

**1.12** In the event that we provide other services in the future, we may require you to enter into a separate agreement in respect of them prior to these services being made available to you.

**1.13** For an initial period of 14 days after opening an account facility you have the right to cancel the relevant service. This can be done verbally, or in writing and we will action your request as soon as practical. Please note this cancellation right only applies to the service you have signed for and does not apply to any transactions undertaken on your account, which are not subject to this right. As long as you cancel within the specified period there will be no charge made, although you are still obliged to pay any monies due to us at the time you cancel or terminate your agreement for any transactions undertaken.

**1.14** Unless you notify us to the contrary it will be assumed that you wish us to call you without having been expressly invited to make such a call. The ability to call you in this way is likely to increase the effectiveness of our service to you. We will make such calls only between 0800 and 2000 Monday to Saturday and we will comply with any restrictions that you impose.

**1.15** Complaints in respect of any of our products or services should be addressed in the first instance to your usual Redmayne-Bentley contact or Branch. Details of our internal complaints handling procedures are available on request. If a complaint is not resolved to your satisfaction you may then contact the Financial Ombudsman Service, an independent dispute resolution scheme.

**1.16** We participate in the Financial Services Compensation Scheme for Investments (applicable to UK residents only). Payments under the scheme for Retail Clients' Investments are limited to 100 per cent up to £50,000. Monies held on deposit with us on your behalf are separately covered under the Deposits scheme up to the sum of £50,000 per individual, per institution. In accordance with FSA guidance, we segregate client money and hold it under the protection of the UK Financial Services Compensation Scheme. Additionally we have arranged an insurance policy to cover each claim on Nominee client assets with us up to £10,000,000. Please note that these terms do not apply to assets outside the Nominee Service and do not apply to other types of client.

**1.17** We shall pay all sums in pounds sterling, unless otherwise agreed between us. Those designated in another currency will be paid using an appropriate exchange rate. There may be a charge for currency conversion.

**1.18** We reserve the right to terminate your account or your access to the service or any portion of it at our sole discretion, without notice and without limitation for any reason whatsoever, including but not limited to an event of default by you.

**1.19** We reserve the right to decline an applicant as we see fit.

**1.20** We can delegate all or any of our functions under these Terms to a third party, but we remain responsible to you for them.

**1.21** The information contained within these Terms is based on our understanding of current legislation, HM Revenue & Customs and HM Treasury practice; however no liability can be accepted.

**1.22** You agree that these Terms are only supplied in English and we will only communicate with you in English.

**1.23** These Terms are governed by English Law. You agree that these Terms may only be dealt with by the Courts of England and Wales except that we may take legal action against you in any country where you may be.

**1.24** Neither party shall be liable for any delay in performing any of its obligations hereunder, if such delay is caused by circumstances beyond the reasonable control of the party so delaying, including but not limited to acts of God, riot, terrorism, fire, exposure and floods or power failure.

## **2. Your Responsibilities**

**2.1** You will not use our services for any purpose which is unlawful, abusive, libellous or threatening and must have the power and approval to enter into and perform your obligations under these Terms.

**2.2** You will provide us promptly on request with a copy of any documentation as we may reasonably require from time to time.

**2.3** You will ensure that all stocks deposited with us are free of lien or undertaking.

**2.4** You or any person designated by you will at all times have due authorisation to enter into transactions and act in all respects in relation to these Terms.

**2.5** The execution of any order and/or instruction entered into does not and will not violate, contravene or conflict with any law, decree, order, judgement, charge or other instrument binding on you or any of your assets.

**2.6** You warrant that by placing an order to sell, you own the relevant shares and will immediately arrange to forward to us the appropriate certificates and correctly completed transfer forms.

**2.7** You must ensure that cleared funds are available on or before the day they are required.

**2.8** You must inform us immediately of any changes to your personal details, including the address that we use for correspondence purposes. We shall not be liable for any loss that you may suffer where we have not been informed of any change.

**2.9** Please check that the information contained on contract notes, statements and other communications are correct. Where this is not the case please contact us immediately. If you do not do this you could lose your right to redress.

**2.10** If you become aware at any time that another party has acquired knowledge of your username, password or trade password, you must make no further use of the account and notify us immediately.

**2.11** Where the account is in the name of more than one person, any communication made may be given by either party and your liabilities are joint and several. In the event of death, the account will continue in all respects in the names of the survivor(s).

**2.12** You must inform us of any investments, type of investment or market on which you do not wish us to advise on or deal for you in. You must also inform us in a timely basis where these circumstances change as we may make investment decisions based on this information.

### **3. Opening Your Account**

**3.1** When you are ready to make your first sale or purchase contact your nearest branch or call on 0113 243 6941.

**3.2** We will normally open an account for you immediately. Naturally, we will need to take a few details from you ~ such as your full name, address and date of birth ~ but the process is completed very quickly.

**3.3** Your new account will be created in a Certificated form and will allow you to trade in non-Complex Instruments. This means that you will receive share certificate(s) (for which there will be an additional charge) from us for every purchase that you make unless you have elected to open a Nominee, ISA, SIPP, PlanBee or CTF account and completed the appropriate application form.

**3.4** All of our services are available to residents of the United Kingdom above the age of majority.

**3.5** Selected services are also available on a telephone dealing only basis to selected overseas residents, companies, partnerships, trusts, charities and approved pension schemes. All such accounts will be operated by us on a Nominee basis only. In these cases, and for residents of the Channel Islands and the Isle of Man, we will need additional documents from you before you can commence trading. Failure to provide the requested information may mean we cannot proceed with opening an account for you.

**3.6** Investment clubs should ensure that they are either constituted in accordance with a ProShare approved investment manual, or they have taken legal advice in producing their own constitution or altering the legal ProShare approved constitution. Where the investment club has altered or produced its own constitution, it declares it can represent to us that it is not a collective investment scheme under section 235 of the Financial Services and Markets Act 2000.

**3.7** A letter of authorisation must be drawn up between the members of the investment club nominating a member for communication purposes. We shall at all times communicate with this member. A further member should be nominated in order to place dealing instructions. These may be the same person. You remain responsible for ensuring that when any of the members change or you nominate a different person for communication or dealing purposes that a new letter of authorisation is signed and forwarded to us.

**3.8** If you have an Advisory or Discretionary account with us, you should answer all the questions on the agreement form(s), so that we can match our advice to your investment objectives and personal attitude to risk. If you do not complete all sections we may be unable to deal for you. You must also inform us in a timely basis where these circumstances change.

**3.9** You will be responsible for providing us with any documents that we require. We may contact you in order to remind you to send these to us.

#### **4. Dealing**

**4.1** Each order you place constitutes an offer to purchase the services detailed in these Terms. Once accepted by us, your order is irrevocable, unless, prior to its execution you receive confirmation from us of any amendment or cancellation.

**4.2** Client instructions may be made by telephone or in person. The majority are received by telephone and this is the preferred way for us to accept orders. We may also, at our discretion, accept instructions by letter, fax or e-mail but these may be subject to a time delay before execution is carried out. We will record the date and time that an instruction is placed. Our records will be conclusive evidence of your instruction.

**4.3** We will place all orders in accordance with our Best Execution Policy. This means that when executing orders on your behalf we will take all reasonable steps to achieve the best outcome for you, taking into account the nature of your order, the priorities you place upon us in filling those orders and the market in question. A full copy of this policy is available upon request or from [www.redmayne.co.uk](http://www.redmayne.co.uk). We will annually review this policy in order to ensure that it allows us to continue to obtain the best results for our clients. An updated version will always be available upon request or via our website [www.redmayne.co.uk](http://www.redmayne.co.uk)

**4.4** Where you ask us to trade in Stocks/Shares not directly covered by our Best Execution Policy, (for example those traded outside a regulated market) we will require your express consent to do so, before undertaking such orders. This may result in a delay in the order(s) being executed.

**4.5** There are two main ways in which you can give us an instruction and your contract note will indicate which of these you have given to us. It is important to understand these:

- At Best (or at 'Market') ~ This is by far the most common type of instruction which serves clients very well. What it means is that we will normally check the current market price whilst you are on the telephone, and deal as soon as possible. As market prices can change at any time, you accept that it is possible the price could have moved up or down since it was quoted to you.
- At a Limit ~ This means that, in the case of a purchase, we will not pay more than the 'limit' price and in the case of a sale, that we will not sell for you for less than the 'limit' price. Limits will be kept until the end of the calendar month, and are accepted on a 'best endeavours' basis. An additional charge will be made on all limit orders executed. This facility may not be available on certain types of securities.

**4.6** The standard settlement period on the London Stock Exchange is three working days (known as T+3) and generally similar periods on other major exchanges. Clients dealing in share certificates will generally require settlement for ten working days (known as "T+10") and this can usually be arranged although there will often be a charge from the market in respect of this. This amount is available on request and will be relevant if your contract note bears the code 'SP' in the price column. Other, non-standard settlement periods can sometimes be arranged but this must be done in advance of dealing and will normally incur an extra charge from the market. We shall not be liable for any price variance relating to transactions requiring non-standard settlement.

**4.7** If you wish to close a transaction, we must be told at the outset that it is a closing transaction. Closing concessions cannot be accepted on any Nil Paid (Rights) shares, newly issued shares held under a Letter of Allotment, or foreign shares. Closing concessions cannot be given for deals less than three business days prior to the due settlement date (two days in our Nominee service).

**4.8** We do not permit Short Selling and where this is identified we reserve the right to close the position immediately. Any remaining outstanding balance will be your responsibility.

**4.9** We always endeavour to send contract notes by First Class mail on the day the deal is done. The contract note contains all the details of the transaction and you should check it carefully. If you have any questions regarding the contract note, you should inform us immediately. If we do not hear from you otherwise by return, your agreement with the contents of the contract note will be assumed.

**4.10** You should retain all contract notes for taxation purposes. If you lose this and require a further copy an additional charge may be levied.

**4.11** Orders in Unit Trusts and OEICs will be placed for the earliest possible execution ~ this may not necessarily be the same day as the day the order is given. Purchases must be registered in our Nominee name, and sales must already be held in the same way. Please note that we may subsequently be paid a small fee by the Unit Trust or OEIC provider. We will not normally inform you when we have received this. Please ask us if you would like details. Such payment will not influence any Investment Decision we make.

**4.12** We will not normally aggregate orders, (ie. add one client's order to others). If this is necessary it will be disclosed on the contract note. Aggregation of orders in this way may in some cases lead to a transaction being dealt at an inferior price than might have been achieved under normal circumstances.

**4.13** If you wish to trade in Complex Instruments, we may be required to ask you additional questions about your knowledge and experience. We may also require you to sign an additional agreement form before we trade for you in such instruments.

**4.14** Where we are providing an Advisory or Discretionary service, Investment Trusts utilised may be of such a structure or content that the asset value per share may significantly deviate from the value of the underlying investments. Any such potential for variation will be taken into account by your broker within the overall risk profile of your portfolio.

**4.15** We may advise you on or deal for you in investments that are the subject of or could be affected by stabilisation. The effect of this may keep the share price at an artificial level and should not be taken as any indication of the level of interest from other investors.

**4.16** You should understand that the value of investments, and the income arising from them, can go down as well as up, and that accepting lower risk does not mean there is no risk of loss.

**4.17** Please note that demand for our services and market conditions may fluctuate. We cannot accept responsibility for any actual or potential loss (or expense) you incur if for any reason (other than our negligence) there is a delay or change in market conditions before the execution of your order is completed.

**4.18** The firm reserves the right to refuse or not complete an order. We may also refuse to buy or sell if you owe us money from a previous deal, or for any other valid reason.

**4.19** We reserve the right to cancel a transaction without notice where we believe there is sufficient justification. This may include for example (but not limited to) circumstances where we are requested to do so by our counterparty or the relevant exchange, or where we believe it is necessary to maintain an orderly market or where you execute multiple trades in the same security within a short period of time. We shall not be liable for any loss or expense you incur as a result of the cancellation of a transaction in such circumstances.

**4.20** In the case of investment clubs, we will only accept instructions from the nominated member(s), including the buying and selling of shares and the transfer of monies.

**4.21** All transactions will be subject to the rules, regulations, customs and market practice of the relevant investment exchange on which the transaction is dealt. All applicable regulations will be binding on you.

**4.22** In accordance with your objectives and risk profile we may provide recommendations or make investment decisions to transact business with Fund managers who may provide us with trail commission. We will not normally inform you when we have received this. Please ask us if you would like details.

**4.23** You should be aware that certain securities require us to notify them of the investor's nationality. If the proportion of overseas shareholders exceeds a stated proportion, they are empowered to dispose of shareholdings as they see fit. This may result in a compulsory disposal of your shares.

**4.24** Partners, employees, associates and authorised representatives of Redmayne-Bentley may have a position or engage in stock market transactions.

## **5. Overseas Dealing**

**5.1** If you wish to buy or hold overseas shares, a Nominee account will be necessary.

**5.2** If you wish to trade in US securities, you will first be required to complete a W-8BEN form or other such form as is declared necessary in order to satisfy US tax regulations.

**5.3** Please note that exchange rate fluctuations may have an adverse effect on the value of investments when dealing in overseas markets.

**5.4** For sales of overseas shares, outside our normal custodial arrangements we require the certificates/ stock and transfer forms in our possession before we can deal. This is because of the increased complications and risk involved in dealing in some overseas stocks. This service, where available, attracts a higher minimum commission and may be subject to restrictions.

**5.5** Dealing hours in overseas markets vary, but we will deal for you as soon as we can (during UK market hours) at the best price available to us. When you deal outside of the overseas market's normal business hours, the price may vary considerably from the previous closing or subsequent opening price on that market.

## **6. Settlement for Sales**

**6.1** We pay clients for sales either by cheque or electronically by BACS. This method of payment will be applied by us for each payment made by us until revoked by you in writing.

**6.2** You should be aware that as standard settlement periods have reduced, it has become increasingly important that signed transfers and certificate(s) for certificated share sales are sent to us by return of post and you should ensure that all documents are in our hands in good time for settlement.

**6.3** Instructions to sell shares must not be given if you have lost or mislaid your certificate ~ you must first obtain a replacement certificate from the relevant Company Registrar.

**6.4** The settlement date for each transaction is shown clearly on the contract note and cannot be changed once the deal has been done.

**6.5** Our standard settlement period for sales is normally three working days (except those undertaken in certificated form) and the settlement date will always be shown on the Contract Note.

**6.6** If your sale relates to shares bought recently through us, but for which a share certificate is still outstanding, you must tell the dealer when giving your instruction and preferably quote the bargain reference for the purchase. We are unable to sell shares recently purchased through another broker until you are in receipt of the share certificate.

**6.7** We require your valid share certificate and valid signed transfer form (for certificated share sales) at least two working days before the settlement date so that we can meet your/our obligations with the market. If you fail to do this you will be in breach of your contract with us. We will try to contact you and an additional charge will be made if the necessary paperwork has not been received by this time. If we are unable to contact you, or the stock is not on its way to us, we will buy back the shares on your behalf at full commission without further reference to you in accordance with our Best Execution Policy. Any remaining outstanding balance will be your responsibility.

## **7. Settlement for Purchases**

**7.1** You should be aware that we require payment by the settlement date at the latest and you should ensure that cleared funds are in our hands by this date. Failure to comply with this may result in an additional charge being made, and may be interpreted as breach of your contract with us. In some cases, funds are required in advance of dealing. Interest may also be charged for the overdue period.

**7.2** Please note that cash will not normally be accepted.

**7.3** Where we have not received your payment by the settlement date we shall attempt to contact you by telephone. If the payment is not on its way, or we are unable to contact you, we may at such time as we consider appropriate:

- (a) sell the shares at the prevailing market price and charge you full commission
- (b) close out any other open transactions (whether or not the planned settlement dates have been reached in accordance with our Best Execution Policy) to cover or reduce any loss (or the risk of further loss) on your account.

This will have the effect of reducing your risk regarding future adverse market movements in respect of the unsettled transaction(s) but could mean you miss out on favourable market movements from which you would have benefited if transactions had been settled properly. You will be responsible for paying any outstanding deficit on your account including normal commissions and charges, and any interest and legal costs associated with collecting this.

**7.4** In order for us to meet settlement deadlines, it is vital that cheques received from you can be paid in immediately on receipt and are met on first presentation. Cheques must always show your account number on the reverse.

**7.5** We shall only accept cheques drawn from an account in your name and/or your partner's name (where you are named on the account), or from a recognised financial institution for your benefit. Please ensure that any cheques are made payable to 'Redmayne-Bentley.'

**7.6** You will only be entitled to receive the benefits of 'netting' in respect of purchase and sale transactions due for settlement on the same day. Netting will not be permitted under any other circumstances.

**7.7** Where cheques contain errors which mean they are not (or would not be) met or are returned unpaid by a bank, we may make an additional charge ~ these errors include misdated and unsigned cheques or those where 'words and figures' differ. You will be expected to make good the payment immediately and interest will be charged for the overdue period.

**7.8** If you wish to pay for your account by debit card, please contact our Accounts Department and give your card details.

**7.9** Without prejudice and in addition to any general lien, right of set-off or other similar rights which we may be entitled to within these Terms and Conditions, we reserve the right to exercise any contractual lien and power of sale in our favour, insofar as there remains any outstanding amounts due from you to us. This includes interest applied to overdue amounts and all costs associated with legal advice or representation in respect of the recovery of these.

**7.10** The settlement date for each transaction is shown clearly on the contract note and cannot be changed once the deal has been done.

**7.11** Our standard settlement period for purchases is normally three working days (except those undertaken in certificated form) and the settlement date will always be shown on the Contract Note.

**7.12** We will register shares in the account holder name(s) and arrange for you to receive the original share certificate unless you deal in a Nominee, ISA, SIPP, PlanBee or CTF, (or via another EUROCLEAR member). Please note that share certificates are not available for overseas stocks and a Nominee account is required in these instances.

## 8. Client Money

**8.1** Where a Nominee account is held, a Redmayne-Bentley deposit account will also be opened for you unless we are advised or instructed to the contrary. Funds will be credited/debited to this account on settlement day. If sale proceeds/monies are to be withdrawn from your deposit account, please request this in writing and allow an additional five working days after the settlement date. Any uninvested cash will earn interest. Deposit statements, detailing cash movements in the corresponding period, are sent to you on a monthly basis.

**8.2** You may give written instructions to withdraw money held by us on your behalf. These will only be paid to the account holder and will not be made payable to a third party. Only the withdrawal of cleared funds will be permitted. Payment can be made by cheque or electronically by BACS.

**8.3** Client money will be held in accordance with the FSA client money rules. These require us to hold it in a client bank account, segregating your funds from ours at a bank approved by the FSA. Funds will be held by us in a pooled client deposit account in UK banks or building societies, who are members of the UK Financial Services Compensation Scheme. You are therefore protected under the terms and subject to the conditions of the Compensation Scheme, although this means that in the event of default of that institution, if the sum held is in excess of the amount protected by this scheme and there is any unreconciled shortfall in the money held in the account, you may share pro rata in that shortfall.

**8.4** Where any client money is held by the firm on the clients' behalf (except where this is required for settlement of a current bargain and for monies held on an income account), we will pay interest subject to a minimum of £10 per half year. The interest will be credited gross to the client's deposit account in January and July each year. Interest may not be payable in respect of monies not held in pounds sterling.

**8.5** Where Options client funds are held at Fortisbank no credit interest is payable.

## 9. Fees and Charges

**9.1** We will charge fees and commissions in accordance with our published rates; *A Guide to Our Services and Charges*. We may also charge for any expenses extraordinarily incurred whilst administering your account. Please contact your branch office for details.

**9.2** Government stamp duty, stamp duty reserve tax (SDRT), VAT and any other applicable taxes will be charged at the prevailing rates. If such rates change, we will apply the revised rates as and when they become due.

**9.3** In limited circumstances we may seek to change our fees or charges under this contract. We will only seek such a variation in order to reflect changes in the costs or administrative overheads we incur in providing this service including, but not limited to inflation and changes to the way that we deal for you and look after your investments. In any event we will notify you in writing at least 30 days in advance of any such change taking place. Please note that continued use of our services after implementation of such a change implies your acceptance of it.

## **10. Custody**

**10.1** Where we hold shares for you in our Nominee, you will at all times remain the beneficial owner of them. Your securities are registered in the name of Redmayne (Nominees) Limited. Most UK securities are held in EUROCLEAR in a dematerialised form and in certain other cases, share certificates are held at our offices in Leeds or to our order.

**10.2** If you send us shares to be added to your account, these will be transferred into our Nominee name. This will normally take around ten business days from the receipt of the share certificates and correctly completed transfer form(s). For non-eligible stock(s), this will take longer. You may not be able to sell these investments until this transfer is complete.

**10.3** Non-UK stocks may be held overseas. This is because there may be different settlement, legal and regulatory requirements for the separate identification of investments from those applying in the UK.

**10.4** A charge may be made by us when you request us to transfer non-UK shares from another account or your own name into our Nominee. We will advise you of this at the time.

**10.5** You agree that due to the nature of applicable laws or market practices in certain overseas jurisdictions we may decide that your stocks should be registered in our name or in the name of the person who is a custodian for the purposes of FSA rules.

**10.6** Any investments held on your behalf may be pooled with those investments of other clients. Pooling in this context means that individual client entitlements may not be separately identifiable (other than by our records) and that in the event of a default of a custodian leading to a shortfall, all clients will share pro-rata in that shortfall. You will of course be protected by our insurance cover, see 1.16.

**10.7** Because your shares are held in our Nominee name, you may lose any incentives or shareholder benefits that would otherwise be attached to these.

**10.8** An account inactivity custody fee will apply where at the close of business on the last business date in June, no trades have been conducted or separate portfolio fees collected on it in the previous three complete years. The account inactivity fee does not apply to Certificated, ISA, SIPP, CTF or Advisory and Discretionary accounts where a separate investment management fee is charged.

**10.9** Where a EUROCLEAR Personal/Sponsored Membership account is operated by us for you, an account inactivity custody fee will apply where at the close of business on the last business day in June, no trades have been conducted or separate portfolio fees collected on it in the previous one complete year.

**10.10** You may instruct us at any time (including at the time of closure) to transfer your stock from us into your own name or to another Nominee subject to the payment of a fee. Please note that evidence of title, ie. certificates may not always be available. We will advise you of this at the time.

**10.11** We may refuse to accept certain stocks and shares transferred or delivered to us, by you, or for you.

**10.12** The firm does not participate in stock lending. This means that we will not lend stock to a third party nor will money be borrowed on your behalf against the security of that stock.

**10.13** We accept liability only for the performance of our own Nominee companies, including losses, but not for any other custodian or registrar.

## **11. Dividends, Income and Corporate Actions**

**11.1** If you buy shares and are entitled to a dividend or other corporate action but are not registered in time to receive it directly, we will claim it for you. Conversely, if you sell shares and receive any dividend or other document(s) to which you are not entitled, we will claim it from you.

**11.2** If you sell shares and then receive a Letter of Allotment or Entitlement or Scrip Certificate in respect of new shares, you should forward these to us immediately, duly signed. If we have not received these documents at least 48 hours before the closing date for the offer, we reserve the right to buy the shares in for you (at a cost equivalent to the benefit owed and in accordance with our Best Execution Policy) and you will be debited with the full cost plus any associated charges.

**11.3** When we hold shares for you in a company which makes an optional corporate action (including any held by us on your behalf in a EUROCLEAR Personal/Sponsored Membership Account), we will write to you asking for your instructions within a certain timescale. Please note the length of time required to process an optional event has been reduced from 21 days to 10 business days and our deadline may expire before that set by the company or their registrars. This is to ensure that we have sufficient time to process instructions for all our clients. We cannot be held responsible for any losses arising if that notification failed to reach you or if your subsequent instruction reaches us after this period has expired.

**11.4** In the case of a rights issue, we will ask you to choose from one of the following three options: (i) take up the rights, (ii) sell some or all of the rights or (iii) allow them to lapse. By allowing the rights to lapse you may subsequently receive a payment from the company which we will credit to your account. In the case of an open offer, we will ask you to choose from one of the following options: (i) take up the offer or (ii) allow it to lapse. If you allow it to lapse, you will receive nothing. If we do not receive an 'allow to lapse' instruction from you within a reasonable amount of time prior to the closing of our deadline of an open offer, then where we reasonably believe it is in your best interests to do so we may take up the offer on your behalf and sell the resultant shares for you (in accordance with our Best Execution Policy) in order that you may receive the benefit. We will charge our normal commission for this sale whilst ensuring that there is still a net benefit to you. (Please note that dependent upon your circumstances this may result in tax implications for you, for which we will not accept any liability. In order to avoid any potential problem in this regard please ensure you let us have your clear instruction within a reasonable amount of time prior to the closing of our deadline.)

- 11.5** Elections received in respect of optional corporate actions, once given, will be deemed to be irrevocable and final.
- 11.6** You may take up an optional corporate action in your own name. We may charge for doing this.
- 11.7** Where we do not receive any instructions from you by the deadline specified in relation to a corporate action, we will select the basic default option specified by the company or registrars involved, or in the case of a rights issue allow them to lapse.
- 11.8** Where a corporate action results in a fractional entitlement to part of a share, then we shall sell such fractional shares and credit your account in cash provided such cash value is £3 or more.
- 11.9** Where securities or cash are due to you as a result of a corporate action (whether optional or not), these will be credited to your account at such time as we receive them.
- 11.10** When we hold shares for you in a company which makes a income payment, we will collect this on your income account (balances accruing during the month will not attract interest until the following month), with the total sum each month transferred to your deposit account. However, if you would prefer the total income each month to go to your personal bank account, written notification is required. A statement detailing all dividends received will be sent to you monthly. These payments will normally be paid into your account as soon as reasonably practical after we receive them.
- 11.11** Scrip or stock dividends will not be elected for on your holdings and we are not responsible for informing you that a scrip or reinvestment alternative exists.
- 11.12** Any investment you receive as a result of a take-over, conversion or other offer will be rounded down to the nearest whole unit.
- 11.13** In the case of redemption of stocks and shares, we will credit the amount received from the redemption into your account and confirm this to you. Should there be a take-over, conversion or other offer we will write and advise you. We will then follow your instructions, so long as you have given us sufficient time to do so. Should there be an unconditional take-over and we have not received instructions from you, we shall accept the offer on your behalf if the timetable permits.

**11.14** If your investments are pooled with those of our other clients you may find that your entitlement in respect of your investments during a corporate action is different to what you would have received if our Nominee was not holding your investment.

**11.15** If we are notified of a class action or group litigation order that is being processed or taken concerning investments that our Nominee is holding or has held on your behalf we will be under no obligation to inform you or otherwise act on that notification.

**11.16** You should be aware that due to the complexity of the tax regimes in other countries, we will not, as a general rule, reclaim tax credits on dividends or other income on foreign securities.

**11.17** You should be aware that due to the complexity of investment restrictions in other countries, it is possible that you may not be able to participate in certain corporate events that you may otherwise have been entitled to. We cannot be held responsible for this loss of entitlement.

**11.18** For Managed Discretionary accounts, we will act on your behalf in all matters relating to the investments we manage for you, and as defined in the separate 'client agreement form' you have signed.

## **12. Communications, Reporting and Shareholder Communications**

**12.1** We always endeavour to send contract notes by First Class mail on the day the deal is done.

**12.2** When sending communications to you we will use the permanent postal or e-mail address or telephone number of the first applicant or holder that you have provided.

**12.3** Amendments are deemed to be notified by us to you, if written notice is sent to you at your last known address.

**12.4** We will send communications to you using one of the following mediums:

- In writing (ie. by post, fax or e-mail);
- Verbally by telephone or in person;
- By posting the communication onto our website.

**12.5** We will assume that you have received a communication from us:

- Two days after we post it to you, if it is sent to you by post;
- Immediately upon sending, if it is given to you verbally or sent to you by fax ;
- When it is received by your internet service provider, if it is sent to you by e-mail.

**12.6** We will not provide you with company reports or other similar communications. The structure of company law makes it impossible for Nominee companies to pass these on without excessive administrative costs. Most companies now make company reports available on their web site or by postal or e-mail request.

**12.7** We will not exercise voting rights on your behalf.

**12.8** You will be sent periodically a statement listing the stocks held by on your behalf. Statements are based on transaction date and may therefore include unsettled items.

**12.9** Where statements or valuations are not normally supplied by us to you, we reserve the right to charge for these. This includes the production of duplicates where the originals have been mislaid. Where we provide you with a valuation, we will use mid market prices sourced primarily from the LSE. These will not necessarily be identical to those recorded in daily newspaper(s) or any other medium as exchange rates and alternative trading venues may be referenced. We are not be liable to you if different prices may have been available on an alternative trading venue.

**12.10** Portfolio valuations will be produced in accordance with the details contained on the appropriate agreement form. You may request that we provide these to you on a quarterly basis. We may charge you for this service.

**12.11** Where we collect income payments on your behalf, we will supply you by post with a consolidated tax certificate as soon as reasonably practical after the end of the tax year.

**12.12** In limited circumstances we may seek to change these terms and conditions. We will only seek such a variation in order to reflect changes in the way that we deal for you and/or look after your investments which arise from changes to the legal/regulatory regime or standard stockbroking practice. In any event we will notify you in writing at least 30 days in advance of any such change taking place. Please note that continued use of our services after implementation of such a change implies your acceptance of it.

**12.13** We do not accept responsibility for any documents (including cheques and share certificates) which go missing in transit to and from our offices, with the exception of share certificates dispatched by us to you. In such cases our liability will be for one month from the date of dispatch and will be limited to the registrars charge for issuing a replacement certificate.

**12.14** Under the FSA's 'Major Shareholding Regime' shareholders have an obligation to make a declaration (to the FSA and the underlying issuer) when their shareholding in a specific company reaches a certain size. This applies to all your investments whether held through our nominee company or otherwise. Obviously these rules rarely affect private clients with respect to share holdings in major companies, but can sometimes surprise clients with regards to shareholdings in small or 'penny shares' companies. Please note that such changes may arise not only as a result of your acquisition or disposal of shares in a specific company, but due to the acquisition or disposal by third parties and/or as a result of events changing the breakdown of voting rights in that specific company. You are responsible for monitoring the level of your shareholdings and making the relevant disclosures when your shareholding reaches, exceeds or falls below certain threshold levels. Details of the rules, including the relevant thresholds and reporting procedure can be found on the FSA's website:

[www.fsa.gov.uk/Pages/Doing/UKLA/company/notifications/index.shtml](http://www.fsa.gov.uk/Pages/Doing/UKLA/company/notifications/index.shtml).

### **13. Data Protection**

**13.1** Any personal data provided by you to us at any time will be processed in accordance with the Data Protection Act 1998. We will mainly use your personal data in connection with the provision of our services to you, but may also use it to contact you in connection with other services. We will not provide information to organisations without your consent, unless we are obliged to by the law or are requested to do so by any other regulatory body.

**13.2** For security and compliance monitoring purposes we reserve the right to record or monitor telephone conversations but will not necessarily do so.

**13.3** In order to comply with UK anti-money laundering legislation, we may check your details at credit reference and fraud prevention agencies when opening your account or subsequently. Please note that Redmayne-Bentley is also required to verify the identity of any third party who is permitted to give instructions on the account.

**13.4** Such agencies may keep a record of our enquiry. By opening an account with us, you freely consent to the processing and disclosure of the personal information for these purposes.

**13.5** If the identity of you or any other party for whom we are obliged to seek evidence of identity cannot be confirmed, we may be prevented from carrying out any instruction you wish us to undertake. Redmayne-Bentley shall have no liability in respect of losses incurred in such circumstances.

## **14. Account Closure**

**14.1** We reserve the right to terminate your account(s) or your access to the service or any portion to it at our sole discretion, without notice and without limitation for any reason.

**14.2** Closure will not affect any outstanding transaction, balances or any rights or obligations which may already have arisen between you and us.

**14.3** You may instruct us to close your account verbally unless asset(s) are held or controlled by us, when we will require this in writing. If the account held is in joint names, we will require written instructions from all parties to close your account or transfer it to another account held with us or another broker. We will only transfer the assets to an account in your name.

**14.4** Subject to the payment of any relevant charges and providing there is no outstanding debt we shall arrange to close or transfer your investments as soon as reasonably practical. This process will ordinarily take no more than 30 days, but in certain circumstances could take longer.

**14.5** In the event of closure and in the absence of any instructions to the contrary, any balance of less than £3 will be retained and contributed to a charity of our choice.



Members of the London Stock Exchange · Authorised and Regulated by the Financial Services Authority

Redmayne-Bentley LLP is a Limited Liability Partnership. Registered in England and Wales No: OC344361

Registered Office: Merton House, 84 Albion Street, Leeds LS1 6AG

Telephone: 0113 243 6941 · E-mail: [info@redmayne.co.uk](mailto:info@redmayne.co.uk) · VAT No: GB 613 139 763

Branches throughout the UK and Ireland, for details visit [www.redmayne.co.uk](http://www.redmayne.co.uk)

TC 08/10/014 RBF102 BBB5148