

Stockbroking: A Summary of Key Information



Redmayne
Bentley

This is a summary of our execution-only stockbroking services. Please refer to our full *Terms of Business*, which are applicable to your account and are legally binding, available at www.redmayne.co.uk/terms.

SERVICES

Redmayne Bentley offers discretionary, advisory and execution-only stockbroking investment services and securities trading as defined by Financial Conduct Authority (FCA) rules). We are authorised to provide focused independent advice (where applicable).

CLIENT CLASSIFICATION

We will treat you as a Retail Client (as defined by FCA rules) unless otherwise agreed by you and us. This classification affords you the highest level of regulatory protection. You are entitled to request a different classification, but this would result in a lower level of regulatory protection and is subject to certain conditions being met.

SERVICE INFORMATION

We cannot provide personal investment advice to execution-only stockbroking clients and, therefore, cannot assess the suitability of any transaction you make. Please contact your Redmayne Bentley office if you wish to discuss our advisory and/or discretionary investment management services. We may provide you with generic information on market events or views on particular sectors and/or investments.

We will place all orders in accordance with our *Order Execution Policy*. This means that when executing orders on your behalf we will take all sufficient steps to achieve the best outcome for you. For more details see our *Order Execution Policy* at www.redmayne.co.uk/orderexecution.

Instructions relating to your account and transactions should be made by telephone. Any other method of instructing us could lead to a delay in execution of the deal. We will record the time and date that an instruction is placed. Our records will be conclusive evidence of your instruction. Telephone calls are recorded for regulatory and training purposes. We will only communicate with you in English.

INVESTMENT RISK

Investing in financial markets always exposes the investor to risk. Stock market investments can fall in value and you may get back less than you originally invested. The level of risk to which you are exposed will vary according to the type of financial instruments you invest in. The generic risks associated with the main types of financial instruments are detailed here:

Equities

Equities generally offer higher expected gross returns but are also exposed to a higher level of volatility or risk of loss of investment value. Some equities carry a higher level of risk than others, usually due to the level of liquidity. Generally, larger stocks, such as those listed on FTSE 100, have a lower level of liquidity risk as there is more frequent trading. Equities of smaller companies, such as those traded on AIM, may carry a higher level of liquidity risk due to less frequent trading activity.

Bonds

Bonds generally offer lower expected returns than equities but tend to be exposed to a lower level of volatility or risk of loss of investment value and are generally purchased for their income paid by means of a fixed coupon. The impact of changes in interest rates is a key risk associated with bonds: if interest rates rise, the income to be paid by the bonds might become less attractive on a relative basis and the market price of the bonds may fall. Credit risk should also be considered and refers to the risk that the issuer of the bond will not meet the agreed interest payments expected or return the bond capital at the end of the term. The level of risk for most bonds can be determined by the credit rating agencies such as Standard and Poor's, Moody's, Fitch, etc. Bonds with higher credit ratings are considered to present less risk than those with lower ratings and those which are unrated.

Collective Investments

This refers to situations where a fund manager groups a pool of money from different investors and invests in line with a stated objective. The level of risk associated with these investments will depend on the underlying investments, the level of complexity of the fund itself and also the level of regulation applied to the type of fund. For example, a non-complex UCITS fund will be likely to carry a lower level of risk than a complex fund, due to the nature of the underlying investment and regulations it must adhere to that decrease the level of risk to which it is exposed. Risk is also associated with the quality and continuity of the management of the fund, an indicator of this will be the track record of the fund and the tenure of the lead portfolio manager. Some collective investments may use 'gearing' or borrowing to try to increase returns without additional investment. These instruments also carry a higher risk of loss.

Alternative Asset Classes

Alternative asset classes include Infrastructure funds, Absolute Return funds, Real Estate Investment Trusts (REITs) and asset-backed income funds and are considered to be of lower risk than the complex investments detailed below. With some types of alternative asset classes an investor can lose more than they invest: these are known as 'contingent liability' investments.

Complex Instruments

The term 'Complex Instruments' includes Synthetic and Leveraged Exchange Traded Products (ETPs), Structured Products, Warrants, Composite Units and certain types of Investment Trusts. In general, these instruments have a high level of risk and volatility. If you wish to undertake a transaction in a complex instrument, regulations and the rules of the FCA require us to be satisfied that you have appropriate experience and knowledge of the risks involved and as such we will undertake an assessment of this.

CONTRACT NOTES AND STATEMENTS

We endeavour to issue contract notes on the day of the transaction or deal. The contract note contains details of the transaction; you should check this carefully and contact us immediately if the details are incorrect or you do not receive or are unable to view the contract note. We will issue you with a quarterly statement listing the investments held by us on your behalf. Statements issued are based on transaction date and may therefore include unsettled items. Our Client Web Access (CWA) service enables you to view online your portfolio valuation, balances, contract notes and statements; please visit www.redmayne.co.uk/cwa.

PROTECTION OF CLIENT ASSETS

We participate in the Financial Services Compensation Scheme (FSCS). Eligible investments are covered by the Compensation Scheme up to £85,000. We hold client money in accordance with FCA client asset rules that ensure segregation and protection of client money. Funds will be held by us in a pooled client deposit account in UK banks or building societies, who are members of the FSCS, and may be placed in accounts with notice periods of, or on deposit for fixed terms of up to, 95 days. We do this in order to better spread the risk of default by the institutions with whom they are held.

We may deposit your money with a third party within the UK/EEA, selected in accordance with the FCA client asset rules. We may also deposit your money with a third party outside the UK/EEA. The legal and regulatory regime may be different from that of the UK and if that institution fails your money may be treated differently than in the UK. In the event of an institution being declared in default we will make a claim on your behalf through any available compensation scheme.

CONFLICTS OF INTEREST

We are committed to treating our clients fairly and acting in their best interests. This includes the identification and either prevention or management of any situation where our own interests, or our duty to any persons for whom we are acting, conflicts with our duty to a client. Details of how we manage these potential conflicts can be found in our *Conflicts of Interest Policy*, available at www.redmayne.co.uk/conflicts or in hard copy on request. We have a policy that our staff can only receive kindly donated gifts from clients up to a modest level in order to ensure that no client is favoured over another.

USE OF YOUR PERSONAL DATA

Your personal information will be held by Redmayne Bentley LLP. This statement contains key information about how we will use and share your personal information and the rights you have in relation to this.

What personal information do we collect?

We collect personal information about you from a number of sources including:

- Information provided to us in completion of our forms.
- From direct conversation with you via telephone or email, or in person.
- From or through other organisations (e.g. credit reference agencies or fraud prevention companies).

Please note that we require certain personal information to be able to provide you with our services or products. If you do not provide such information, this may limit our ability to do so. We may ask you to provide information that contains special category personal data (e.g. health information). In such cases, we will obtain your express consent before doing so.

How will we use your personal information?

We will use your personal information:

- To provide a service to you and to enable us to manage your relationship with us effectively.
- To comply with any regulatory and/or legal obligations we must adhere to as a FCA-authorized firm.
- To keep you informed about services or products, investment news and opportunities, invitations to seminars and events or publications that we believe will be of interest to you.

Who will we share your personal information with?

In providing our services to you as described above, we may disclose your personal information to third parties. This could be third parties we engage to provide services to us or third parties we are obliged to share information with to meet our regulatory obligations.

Should we transfer your personal information outside the EEA, we will ensure that appropriate safeguards are in place to protect your personal information.

Where can you find our full Privacy Policy?

It is important that you understand how the personal information you provide to us will be used. Therefore, we strongly advise that you read our full *Privacy Policy*, available at www.redmayne.co.uk/privacy or in hard copy on request.

If you have any questions or require more information about how we use your personal information, please contact us at info@redmayne.co.uk or at:

Redmayne Bentley LLP
9 Bond Court, Leeds LS1 2JZ

OUR CHARGES

All charges are detailed in our *Schedule of Charges* and *Ancillary Charges*, available at www.redmayne.co.uk/terms or in hard copy on request.