

# Telford Mann Investment Management Service (Advisory)

## Terms and Conditions

Telford Mann Ltd

April 2023





# Terms of Business

**This is an important document – so please read it carefully.**

It sets out the terms on which we agree to act for you and contains our responsibilities to you. It also sets out your responsibilities to us. If you require clarification on any part of this document please ask us for further information.

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## 1. Meaning Of Words And Expressions

1.1 In this document the following words and expressions have the meanings set against them below:

### **"Account Opening Documents"**

The documents which you must complete in order to become a client.

### **"Associate"**

The company Telford Mann and the directors and employees of such company.

### **"Business Day"**

A day when the London Stock Exchange is open for dealings (excluding Saturdays, Sundays, public and bank holidays in England).

### **"Business Hours"**

08:00 to 16:30 on a Business Day, or as defined by the opening hours of the London Stock Exchange.

### **"Collective Investment Schemes"**

Arrangements that enable a number of investors to "pool" their money, in order to gain access to a wider range of investments. They are usually called "funds" and we use the term "Collective Investment Scheme" and "fund" interchangeably in these Terms.

### **"Execution-Only"**

A dealing service where we buy or sell investments on your behalf in accordance with your instructions. With an Execution-Only service we do not advise you on the merits of a transaction and therefore we are not required by the FCA Rules to ensure the transaction is suitable for you, that you are able to financially bear any related investment risks, and that you understand the risks involved in the transaction.

### **"FCA"**

The Financial Conduct Authority of the United Kingdom or any successor authority.

### **"FCA Rules"**

The rules of the FCA.

### **"Investment Advisory Account"**

Any or all of the types of account we provide under these Terms, as described in clause 3.5. We use the term Investment Advisory Account and Account interchangeably.

### **"GIA"**

General Investment Account

### **"Investment Advisory Service"**

The service we provide under these Terms.

### **"Investment Advisory Service Agreement"**

A document to be signed by you that consents to the opening of an Investment Advisory Service in your name and provides authority for our fees and charges to be deducted from that account or paid by you directly. The Investment Advisory Service Agreement is one of the Account Opening Documents.

### **"ISA"**

Individual Savings Account.

### **"ISA Regulations"**

The Individual Savings Account Regulations 1998.

### **"Key Features Document"**

A document providing a summary of the key characteristics of a collective investment scheme, an ISA or a GIA.

### **"Key Investor Information Document"**

A short document containing key investor information for investors on the essential elements of a Collective Investment Scheme.

### **"losses"**

Liabilities, losses, damages, costs, claims and expenses of any kind.

### **"Market Abuse"**

Market Abuse may arise in circumstances where financial investors have been unreasonably disadvantaged, directly or indirectly, by others who: (i) have used information which is not publicly available (insider dealing); (ii) have distorted the price-setting mechanism of financial instruments; or (iii) have disseminated false or misleading information.

### **"Portfolio"**

All of the money and investments held across all the Investment Advisory Accounts which you have opened and in relation to which we are providing our Investment Advisory Service.

### **"Regulatory System"**

The legal and regulatory requirements with which we must comply because we are authorised by the FCA.

## **"Security Information"**

Information that you provide us when you initially join the Investment Advisory Service which both you and we undertake to keep safe and confidential and which we will ask you to repeat or enter into a secure area of our website in order to validate that it is you requesting to access your Accounts and not an unauthorised person. It is important that you keep this information safe and that you change your Security Information if you believe that any other person may be aware of what that information is.

## **"SEI"**

SEI Investments (Europe) Limited incorporated in England and Wales under number 03765319. Its registered office is at First Floor, Alphabeta, 14-18 Finsbury Square, London W1J 6TL. It is authorised and regulated by the Financial Conduct Authority under registration number 191713.

## **"SIPP"**

A Self-Invested Personal Pension.

## **"Terms"**

The terms of business set out in this document (and, if relevant, any changes made to them in accordance with clause 27).

## **"you" or "your" or "yours"**

Any person applying for the Investment Advisory Service and who will be bound by these Terms if their application is successful and, where applicable, their duly authorised representatives, legal personal representatives and successors.

## **2. Information about us and our regulator**

2.1 Our full name is Telford Mann Limited. In these Terms we are referred to as "we", "us", "our" or "Telford Mann". We are incorporated in England and Wales under number 2318036. Our registered office is at Ironstone Place, Kettering, NN14 1FN. Our telephone number is 01536 462700.

2.2 We are authorised and regulated by the FCA whose address is 12 Endeavour Square, London, E20 1JN.

We are entered on The Financial Services Register under registration number 143390, which you can check at [register.fca.org.uk](https://register.fca.org.uk) or by contacting the FCA on 0800 111 6768.

We are authorised to provide the services of investment advice, investment management, arranging custody, and dealing (including execution-only dealing) in investments.

2.3 As we predominantly recommend our own investment services and solutions our investment advice is Restricted Advice under the rules of our regulator the Financial Conduct Authority. On the occasions where our own investment solutions are not suitable for you we may recommend investment products and services provided by other product providers selected from across the marketplace.

We do not provide advice on the following types of investment: -

- Unregulated Collective Investment Schemes
- Qualified Investor Schemes
- Derivatives contracts

## **3. Information about our service**

3.1. The service we offer under these Terms is our Investment Advisory Service.

3.1.1. This is our advisory service based on our "asset allocation models". Our asset allocation models combine different asset classes in pre-defined proportions to achieve targeted investment objectives within specified risk profiles.

3.1.2. Based on our understanding of your requirements we will recommend the appropriate asset allocation model(s) to you.

3.1.3. If you accept our advice you may instruct us to effect for you the transactions in investments which are necessary to ensure that your Portfolio is invested in the same proportion as the selected asset allocation model(s).

3.1.4. We do not make decisions without referring to you. You may accept or reject our advice. All decisions on whether to buy, hold or sell any investments are yours.

3.1.5. When we execute your transactions, we act on your behalf in a transaction to buy or sell investments.

- 3.2. When we provide you with a recommendation about the asset allocation model(s) that is suitable for you, we will base our recommendation on the information that you provided to us during the account opening process or that you subsequently provide as part of the ongoing advice service.
- This information is about:
- 3.2.1. yourself and your knowledge and experience in the investments listed in clause 3.11;
  - 3.2.2. your investment objectives;
  - 3.2.3. your financial situation;
  - 3.2.4. the level of risk, including loss to capital, that you are prepared to accept;
  - 3.2.5. the restrictions on the investments which you are prepared to hold; and
  - 3.2.6. any other special requirements that you may have.
- For the purposes of ensuring that our recommendations are suitable to you the information we hold must be up to date and accurate. You must therefore notify us if there are any changes to the information you have provided or to your circumstances. Any failure to notify us of a change may lead to the provision of unsuitable advice. Telford Mann has no obligation to verify the information provided by you during the fact find process, or to ask you for updates on your personal circumstances outside the annual review process (or outside other "review events" stated in clause 3.6).
- 3.3. In providing the investment recommendation about the asset allocation model(s) suitable for you we will be advising on various products including the Collective Investment Schemes (as defined in clause 1 and generally known as "funds").
- 3.4. You should also be aware that when we consider the suitability of our asset allocation models to you our advice is restricted to considering whether we reasonably believe that your stated investment objective can be achieved from our range of asset allocation models. This is not comprehensive financial planning advice. Therefore do not rely on our Investment Advisory Service for comprehensive financial planning advice.
- If you wish to obtain a more comprehensive financial planning service, please let us know and we will refer you to our separate financial planning service.
- 3.5. Should you wish to take advantage of the tax benefits that are available with ISAs, our Investment Advisory Service enables you to have one or more of the following types of account:
- 3.5.1. Investment Account: We open an Investment Account for all clients of the Investment Advisory Service. This Account allows you to invest outside the "tax wrapper" accounts described in clauses 3.5.2, 3.5.3 and 3.5.4. This is also the account from which we may deduct any fees that may be due to us as outlined in our document "About Us" or agreed with you separately in writing for this or any other Accounts that you set up.
  - 3.5.2. ISA Account: This is our stocks and shares ISA for which additional specific terms apply and are set out in clause 8.
  - 3.5.3. Junior ISA Account: This is our stocks and shares Junior ISA for which additional specific terms apply and are set out in clause 9.
  - 3.5.4. Joint Investment Account: This Account enables you to have joint ownership with one other person but is not available for the ISA Accounts.
- 3.6. We will offer to carry out an annual review of your Portfolio. We will also carry out a review more frequently if:
- 3.6.1 You notify us of a material change in your circumstances, and you request that we carry out an ad hoc review;
  - 3.6.2 We agree with you a more frequent review period; or
  - 3.6.3 You specifically request us to do so.
- We carry out this review on the basis of the information you provided to us as outlined in clause 3.2. Telford Mann has no obligation to monitor or review your investment portfolio at any time other than during specific 'review events' (e.g. the annual review, or other reviews as per this clause 3.6).
- 3.7. We may contact you with news or other information about one or more of the investments you hold within your Account or other investments we think may be of interest to you. This is provided as a means of enhancing the service we offer to you but should not be treated as investment advice or a personal recommendation unless explicitly stated as such.
- 3.8. We recognise there may be occasions where you specifically ask us to buy or sell investments within your Investment Advisory Account. On occasions that you do make these requests:

- 3.8.1. You should be aware that for those investments that we do not research our advice will be restricted to the suitability of the investment according to the asset allocation model you have selected and any other information (e.g. past volatility) we have available to us or which you specifically request from us. There may be some investments which we do not consider to be suitable according to the initial account information you have provided us with or which our research analysts do not rate, in which case we will advise you of this although if we subsequently agree to process the transaction on your behalf we may have to treat you as an insistent client for the purpose of the transaction;
- 3.8.2. Depending on the nature or frequency of investments initiated by you we reserve the right to review the suitability of an Investment Advisory Account for you and request that you set up an execution-only account to accommodate this category of instruction. The direct instruction to us will be used to carry out Execution-Only transactions on your behalf.
- 3.8.3. Investment instructions that have been initiated by you may not be consistent with the asset allocation models you selected, and this may reduce the likelihood of achieving your investment objective;
- 3.8.4. We will however include in our consideration any investments you have requested within your Portfolio when we undertake a periodic review of your Account(s) (see clause 3.6);
- 3.8.5. You should also be aware that all Execution-Only investments, whether initiated by you or by us, that are included in your Investment Advisory Account(s) will also be subject to the fees as outlined in our document, "About Us".
- 3.9. Within our Investment Advisory Service you may also ask for advice on the merits of buying and selling investments that do not necessarily fit within the Telford Mann asset allocation model(s) that you have selected. In such cases we will provide you with investment recommendations on a one-off transaction basis which we reasonably consider to be consistent with your stated investment objective. Where our advice relates to Collective Investment Schemes, we will issue you with a "suitability report" (as we are required to do under the FCA Rules), which we may call a "recommendation letter".
- 3.9.1. If you agree to accept our recommendation, we will carry out the transaction for you by passing orders to third parties such as brokers who are responsible to us for the execution of the transaction. In rare cases we may also execute your orders directly. If we execute your orders, we do so in accordance with our Order Execution Policy which is summarised in Schedule 3, as explained further in clause 11.
- 3.10. We only provide the Investment Advisory Service to United Kingdom ("UK") residents. Our website is intended for use by UK residents only. You must not undertake any transactions or open any accounts with us if you are outside the UK unless expressly permitted by us in writing. You must inform us immediately if you cease to be resident in the UK.
- 3.11. We may provide our Investment Advisory Service in relation to the following types of investment:
- 3.11.1. Units and shares in Collective Investment Schemes which are either authorised and regulated by the FCA, recognised (i.e. are authorised for distribution in the United Kingdom but not regulated) by the FCA or unregulated, including those which may be operated or advised by us or an Associate;
- 3.11.2. Shares in UK or foreign companies;
- 3.11.3. Exchange Traded Funds ("ETFs");
- 3.11.4. UK debt instruments, including government, public agency and corporate issues;
- 3.11.5. Cash;
- 3.11.6. Warrants; and
- 3.11.7. We may make other products or services available, as required, during the course of you holding an account with us.
- 3.12. Our Investment Advisory Service enables the automatic linking of accounts so that they are handled under one Investment Advisory Service Agreement.
- 3.12.1. The linking of accounts is provided automatically:
- (i) where your Accounts under our Investment Advisory Service have the same investment objective and asset allocation model and you ask us to manage them together, they will automatically be linked and managed under our Investment Advisory Service as though they were one; or
  - (ii) where your Accounts and those for other members of your household or other connected persons have the same investment objective and asset allocation model and both you and the respective accounts holders ask us to manage them



together, they will automatically be linked and managed under our Investment Advisory Service as though they were one.

3.12.2. Linking will enable any of the account holders as specified in the Investment Advisory Service Agreement to give us instructions on the linked Accounts.

3.12.3. Linking will allow us to provide aggregated valuation statements for all the linked Accounts.

3.12.4. Where automatic linking occurs in accordance with clause 3.12.1 and 3.12.2, you consent that any accounts that are not Investment Advisory Accounts (such accounts being subject to separate terms and conditions to these Terms) held by each linked party will also be automatically linked in the manner described in clause 3.13 to every other party. For the avoidance of doubt, linked Investment Advisory Account holders may only give us instructions on linked Investment Advisory Accounts and not to any other Accounts, except where such authority has separately been provided and agreed with us.

3.13. In addition to the automatic linking of Accounts as described in clause 3.12 above, we also offer the facility for you to further link your Investment Advisory Account(s) to other types of Telford Mann Account held by you, other members of your household or other connected persons. This additional linking to other types of Telford Mann accounts allows each account holder within the link to view the aggregated position and the transaction history of their own Telford Mann Account(s) as well as the Telford Mann Account(s) of others within the link. This additional linking is done via our website and requires the prior consent of each account holder within the link.

3.13.1. The linking of Telford Mann Accounts in this way is only a reporting facility; it does not allow us to manage the accounts as though they were one, nor allow you or any other linked account holder to transact or give us instructions on accounts that do not belong to them.

3.14. Any account holder may instruct us at any time to sever any link they are part of, as described in clauses 3.12 and 3.13 and there is no cost for any of these linking services. For the avoidance of doubt, the severing of account linkages will not be treated as a termination of these Terms by which you will continue to be bound unless terminated as described in clause 23.

3.15. At our discretion, on or around the time you open your Investment Advisory Account(s), or

at any point thereafter, we may be required to convert your fund investments from one type of share or unit class to another, and/or to sell your fund investments and reinvest the proceeds into one or more alternative investments. Fund conversions are not normally expected to involve the sale and subsequent reinvestment of the sale proceeds and instead we will endeavour to facilitate a conversion mechanism that represents a corporate action. If required, these transactions will be required in order that we continue to meet the requirements of the FCA's Retail Distribution Review. If you do not agree to the required conversions then we may no longer be able to provide you with investment advice and personal recommendations, possibly leading to termination of our relationship with you under these Terms.

3.16. Our Investment Advisory Service is designated as whole of market advice.

3.17. If you choose to pay for our ongoing advice service, which is more likely to be appropriate where you want a range of funds in your Portfolio, we will offer you an annual review of your Portfolio. We will also carry out a review more frequently if you notify us of a material change in your circumstances and you request that we carry out an ad hoc review; or if we agree with you a more frequent review period; or if you specifically request us to do so (referred to as "review events"). We carry out this review on the basis of the information you provided to us as outlined in clause 3.2, for clients receiving the ongoing advice service. We have no obligation to monitor or review your investment portfolio at any time other than during specific "review events" (e.g. the annual review, or other reviews).

3.18. As part of the initial advice we will advise you on whether ongoing advice is suitable for you considering the investment solution recommended. If ongoing advice is not recommended or you opt not to receive ongoing advice, we will not charge you any ongoing advice fee, but an ongoing platform charge will apply. We will have no obligation, however, to monitor or review your investment portfolio after providing you the initial advice. You may request additional advice from us subsequently, but any such advice will also be subject to the initial advice fee outlined in our "About Us" document.

#### 4. How we categorise you

- 4.1. We will categorise you as a Retail Client. Retail Clients benefit from the highest degree of protection under the FCA Rules.

#### 5. The basis on which we provide our service

- 5.1. Our legal relationship with you is governed by the following documents which are available on our website or from us and together set out the basis on which we provide our Investment Advisory Service:

- 5.1.1. This "Investment Management Service (Advisory) Terms of Business";

- 5.1.2. "About Us"; and

- 5.1.3. The Account Opening Documents including where applicable the Investment Management Service Agreement.

- 5.2. You should read these documents carefully and retain copies of them. If there is anything in them that you do not understand or agree to, you should discuss this with us and seek clarification.

- 5.3. The application process and opening of your Investment Advisory Account(s) are completed via paper application forms.

This process is supported by the provision of information via our Investment Management Service website.

We will tell you about our specific requirements as part of the application process. Once the Account(s) is opened you will be given secure access to our website to enable you to view and obtain information about your Account(s).

- 5.4. Your opening Portfolio should have a minimum investment value of £500. We reserve the right to decline to provide our Investment Advisory Service below this minimum.

- 5.5. You will normally fund your Account(s) by providing us with cash but in certain circumstances at our absolute discretion we may agree to accept "transfers in" of investments. If you wish to transfer investments into your Investment Advisory Account(s), they must be registered in your name or that of a third party on your behalf (in which case you have the "beneficial ownership" of the investments as that term is explained in clause 5.12.1).

- 5.5.1. You should be aware that any transfers in that we agree to, may for a period of time

cause the composition of your Portfolio to be different from the composition of the agreed asset allocation model(s) on which your Portfolio is based (both in terms of the investments held and the proportion in which each broad category of investment is held). This means that during such period the investment performance and risk profile of your Portfolio may also be different from those of the asset allocation model(s).

- 5.5.2. In such cases we will recommend to you the actions that you should take to align your Portfolio with the agreed asset allocation model(s). If you accept our advice and instruct us we will carry out the necessary transactions.

- 5.6. At our absolute discretion we may also agree to a "transfer out" of some of the investments held in your Portfolio to other investment managers or advisers you may appoint. This will be subject to our charges as outlined in our "About Us" document or as otherwise agreed with you in writing.

- 5.7. When you apply to open an Account we will carry out security checks. This is for both your protection and ours, and is designed to ensure no-one else can open an Account in your name.

- 5.7.1. If you satisfy our security checks and complete the account opening procedures, your Account will be opened.

- 5.8. These Terms will become effective once we have agreed the Account Opening Documents with you and have confirmed acceptance of your application in writing (either by post or via email). We reserve the right to reject your application without providing any reason.

- 5.9. By opening your Investment Advisory Account(s) you authorise us to appoint SEI on your behalf to provide custody for your investments.

- 5.9.1. SEI is the appointed custodian for your investments (including cash) and provides the means for the execution for all of the transactions in investments we make on your instructions.

- 5.9.2. We are not authorised to provide custody of your investment or to hold your cash. Therefore any cash that you wish to use to fund your Account(s) must be transferred to SEI, although we can facilitate this for you.

- 5.9.3. We reserve the right to arrange for your assets to be transferred to and held by an alternative custodian that Telford Mann may appoint.

- 5.10. This means that you are also entering into a direct legal relationship with SEI for the

custody of your investments. The terms under which SEI provide its custody service are set out in its separate Custody Terms of Business ("SEI's Custody Terms"), which are attached to these Terms of Business (Schedule 1 and 2).

- 5.11. For your convenience we set out in Schedule 1 key information relating to SEI's custody of your investments.
- 5.12. Ownership, custody and registration of your investments:
  - 5.12.1. In English law there are two types of ownership, legal ownership and beneficial ownership. Legal ownership refers to the ownership of a property in the eyes of the law and is only interested in the name in which property is registered. Beneficial ownership refers to the ownership of the right to use and benefit from property. While legal and beneficial ownerships are usually held by the same person, it is possible for them to be held separately. When the legal and beneficial ownership of property are held separately, the legal owner is obliged by law to hold the property for the benefit of the beneficial owner and cannot use the property (or dispose of it) for his own benefit.
  - 5.12.2. All your investments will be registered by SEI in the name of its nominee, SEI Global Nominees, which will have legal ownership of the investments and hold them for your benefit. The nominee is a company within the SEI group whose sole purpose is to be registered as the legal owner of the investments that SEI holds for you and our other clients. As this nominee company does not trade, it is unlikely to become insolvent, which provides added protection to the investments held in your Investment Advisory Account(s). Any share certificates or other documents evidencing legal ownership of investments will be held by SEI.
- 5.13. Clients of our Investment Advisory Service may be required to set up and maintain an active Direct Debit bank account mandate. This must be from a UK bank or building society, account details of which you have given on your application or notified us of at a later date. This must be a personal account either in your name or held jointly by you, and be BACS-compatible.
  - 5.13.1. A Direct Debit Scheme Guarantee is offered by all banks and building societies that accept instructions to pay Direct Debits ("Direct Debit Scheme"). The efficiency and security of the Direct Debit Scheme is monitored and protected by your own bank or building society. If the amounts to be paid or the

payment dates change under the Direct Debit, we will notify you at least five Business Days in advance of your account being debited or as otherwise agreed with you.

- 5.13.2. If an error is made by us or your bank or building society, the Direct Debit Scheme Guarantee means that you are guaranteed a full refund from your branch of the amount paid.
- 5.13.3. You can cancel your Direct Debit at any time by writing to your bank or building society. You should also forward a copy of this letter to us for our records.
- 5.14. If you open an ISA Account it will be subject to additional terms as outlined in clause 8.
- 5.15. We may have negotiated rebates of the annual management charges ("AMC") levied on the Collective Investment Schemes in which you can invest via us ("Eligible Funds"). The level of any fund rebate varies by fund. We will pass on this rebate to your Investment Account or ISA Account in which the Eligible Fund is held. Any fund rebate will be paid to your Account (normally calculated monthly, on the basis of the daily value of the relevant funds) in respect of such discount. Payment will be made following receipt of the rebate by the Custodian.

Certain fund managers may make such payments less frequently (e.g. annually), in which case they will be credited to your Account less frequently, following receipt by the Custodian. The relevant fund manager will remit the rebate to the custodian as cash, which will be used to buy additional units in the relevant fund for clients on an aggregated basis. As a result, when calculating the number of units for individual clients, there may be some rounding down of fractions (depending on the number of decimal places allowed by the fund manager for dealing) which could result in a small reduction in the rebate you would otherwise be entitled to receive, and the rounded-down amount will be credited to your Account. Any residual fractional units may be sold and the proceeds may be paid to a registered charity of our choice. Where the value of the rebate is £1 or less per fund/per investor, or you no longer hold the fund in question at the date of receipt of the rebate, or you have instructed the closure of your Account at the date of calculation of the rebate, we may credit the rebate due in cash. Fund rebates, whether paid in units or cash, are subject to income tax, so the Custodian will deduct basic rate income tax from any such payments where applicable. Details of

the calculation of the rebate credited to your account are available on request.

- 5.16. If you want to withdraw money from your Account(s), payment will be made via BACS electronic transfer to your chosen UK bank or building society account. If there is not enough available cash in your Account(s), we will sell some of the investments in your Account(s) to provide the required cash. However, you must provide us with an instruction as to which and how much of your investments are to be sold.

Alternatively, if no instruction is provided to us, the default position shall be to sell funds proportionately across the portfolio, including cash.

- 5.17. Interest will be paid on cash held within your Investment Advisory Account(s) at the rates shown in our Telford Mann Investment Management Service Key Features Document.
- 5.18. We will pay cash dividends, gilt and bond interest to your Investment Advisory Account(s) unless you have instructed us otherwise. These payments will normally be paid within 24 Business Hours of receipt.
- 5.19. You confirm to us that you are able to appoint us to act in accordance with these Terms and that the information you have provided is complete, accurate and up to date.

## **6. Communications between us (including our paperless service)**

- 6.1. We may communicate with each other in writing, including by email or via our website or by telephone. We will tell you if a particular form of communication is required for any particular purpose. We may record telephone calls.
- 6.2. We will communicate with you using the contact information you supply in the Account Opening Documents or such other information as you provide to us in writing from time to time.
- 6.3. You may contact us at Telford Mann, Ironstone Place, Kettering, NN14 1FN, by telephone on 01536 462700 or by email to any email address that we have provided to you.
- 6.4. You must communicate with us in English. Documents and other information we supply will be in English.
- 6.5. The Investment Advisory Service is designed to be a "paperless service". This means that once your Account(s) is opened we will normally communicate with you, including providing

you with information about your Investment Advisory Account(s), via our website and via email. We will not send sensitive information to you via email.

We will also communicate with you in writing or via post as outlined below:

- 6.5.1. The information you may receive via our website includes (but is not limited to): valuation statements; contract notes; Account Opening Documents; Terms of Business; Key Features Documents; Key Investor Information Document; notification of corporate action events; and tax certificates. However we may continue to send certain of these documents to you by post normally for regulatory or security reasons.
- 6.5.2. If you specifically want to receive contract notes and/or valuation statements by post, then please ask us to arrange this for you. Please note that a fee may apply for this service.
- 6.5.3. You will need to regularly review your "My Account" section of our website via the client login button as this will be one of the primary ways of communicating with you.

## **7. Client money**

- 7.1. We have appointed SEI to hold money that belongs to you and we will not accept or handle cash in any circumstances. We cannot accept a cheque or any other payment order made out to us unless it is in settlement of fees or disbursements.
- 7.2. Money for the purposes of your transactions within the Investment Advisory Account(s) will be held by SEI in accordance with the client money arrangements set out in SEI's Custody Terms.

## **8. ISA accounts**

This clause is only applicable if you open an ISA Account.

- 8.1. Telford Mann will be your ISA manager.
- 8.2. The ISA will be a stocks and shares ISA.



- 8.2.1. You may subscribe to an ISA in any tax year (i.e. the period starting on 6 April of one year and ending on 5 April of the following year) for which you are either resident and ordinarily resident in the United Kingdom; or, although non-resident in the United Kingdom, perform duties of a Crown employee which are treated as being performed in the United Kingdom, or are the spouse or civil partner of such a person.
- 8.3. Transferring your existing ISA to Telford Mann:
- 8.3.1. You may transfer your existing ISA investments from your current ISA manager to Telford Mann. In some circumstances your existing ISA manager may require that your current investments are sold and the cash transferred. During the period between the sale of the existing investments and the purchase of the new investments there may be a change in market values. You will not benefit from any rise in markets during this period, nor will you suffer from any fall. Once the cash has been received by Telford Mann you will then be able to reinvest.
- 8.3.2. You may transfer a cash ISA into the ISA Account (which is a stocks and shares ISA).
- 8.4. Ownership, custody and registration of your investments:
- 8.4.1. All investments will be registered by SEI in the name of its nominee, SEI Global Nominees, which will have legal ownership of the investments and hold them for your benefit.
- As explained at clause 5.12.2, the nominee is a company within the SEI group whose sole purpose is to be registered as the legal owner of the investments held for you and our other clients. As this nominee company does not trade, it is unlikely to become insolvent, which provides added protection to the investments held in your ISA Account. Any share certificates or other documents evidencing legal ownership of ISA investments will be held by SEI.
- 8.4.2. All investments held within your ISA Account will be, and must remain, beneficially owned by you and may not be used as security for a loan.
- 8.5. Corporate actions in your ISA:
- 8.5.1. You may incorporate any investments arising out of a corporate action in your ISA if they can be held in an ISA under the ISA Regulations and applicable law. Where the investments cannot be held in an ISA, we will refuse to take up or accept an issue or offer relating to such investment. Otherwise, we will ask you for your instructions.
- 8.5.2. Subject to the terms of the corporate action, entitlements will be taken up at your request as long as there are sufficient funds in your ISA Account. Otherwise, you may be able to sell part of an entitlement to take up the remainder.
- 8.5.3. If you receive shares as a result of a take-over, merger, re-organisation or other corporate action, you can only hold these shares in your ISA if they can be held in an ISA under the ISA Regulations and applicable law. If they cannot be held in an ISA, they must be either sold or transferred to you. We will ask for your instructions; however, if we do not receive your instructions within the required period, we will sell your shares where we are able to do so. We may charge you for this.
- 8.6. Transferring your ISA Account to another ISA Manager:
- 8.6.1. Subject to compliance with the ISA regulations, you may transfer your ISA Account, in whole or in part, to another ISA manager upon giving us notice in writing. We will carry out the transfer in accordance with the ISA regulations.
- 8.6.2. We will deduct from the amount being transferred, any outstanding fees or charges owed to us or any payments that are owed to HMRC in accordance with the ISA Regulations.
- 8.7. Please note that, under the ISA Regulations, if you wish to transfer an ISA for the current tax year you must transfer all subscriptions made in the current year and the investments bought with those subscriptions i.e. you may not make a partial transfer for the current tax year. For subscriptions made to your ISA in previous tax years and the investments bought with those subscriptions, you may transfer all or any part of these to a new ISA manager.
- 8.8. Outsourcing:
- 8.8.1. We will take reasonable steps to satisfy ourselves that SEI and any other agents or third parties to whom we delegate any of our functions or responsibilities, under

the Terms agreed with you, are competent to carry out those functions and responsibilities.

8.9. Managing:

8.9.1. Telford Mann will make claims, conduct appeals and reach agreement on your behalf for tax relief with the exception that we will not reclaim tax paid on foreign dividends or foreign distributions received in your ISA Account.

8.9.2. Interest paid on the cash held in your ISA Account will be credited gross.

8.9.3. Where possible, we will send you the online link to the annual report and accounts issued by every company or other concern in respect of shares, securities or units which are held directly in your ISA Account as required to under the ISA Regulations and on request, we will make arrangements for you to attend meetings of shareholders, securities holders or unitholders, to vote at such meetings and to receive in addition to the annual report and accounts, any other information issued to shareholders, securities holders or unit holders.

8.10. Closing or withdrawing from your ISA Account:

8.10.1. You may close your ISA Account in whole or withdraw part of it at any time. On receipt of a written instruction, we will carry out the transaction in accordance with the ISA regulations. The investments may be transferred to you and/or cash may be paid to you, depending on the prevailing circumstances.

8.10.2. If after termination of your ISA Account a small balance of £5 or less accrues due to residual tax amounts reclaimed from HMRC, we reserve the right at our discretion to pay the proceeds to a registered charity.

8.10.3. Your ISA Account automatically terminates when you die. Any tax claimed back from a dividend or interest payment received after that date must be repaid. Your ISA Account will be valued for probate as at the date of death and dealt with as instructed by your executors.

8.10.4. We may terminate your ISA Account at our discretion if, in our opinion, new rules or regulations make its continuation impracticable or uneconomic. We will not be liable for any loss that results.

8.10.5. We may terminate your ISA Account at our discretion in accordance with clause 23.

8.11. ISA Regulations:

8.11.1. The management of your ISA Account will be subject to the ISA Regulations. Any changes made by HMRC to the ISA Regulations that affect these Terms will apply as soon as they come into effect and we will notify you of such change as quickly as reasonably practicable.

8.11.2. We will inform you if your ISA Account has or will lose its tax exemption through any failure to meet the ISA Regulations. If an investment which was previously allowed under the ISA Regulations ceases to be allowed, Telford Mann will notify you and request your instruction to either sell the investment and reinvest the proceeds in the account, or transfer it out of the account.

8.12. These ISA Account Terms are based on our understanding of current law and HMRC's practice. These may change in the future and the favourable tax treatment of ISAs may not be maintained.

8.13. Your ISA is a Flexible ISA under the ISA Regulations ("Flexi-ISA"). This means you can withdraw cash from your Flexi-ISA Account (other than a Junior ISA Account) at any time during a tax year. You can then make further subscriptions up to the amount of your withdrawal in the same tax year without this amount counting towards your ISA allowance ("Replacement Subscriptions"). This will apply to any withdrawal which has been made from 6 April 2016.

8.14. If you ask us to withdraw cash from your Flexi-ISA Account, we will deem this amount to be taken from the subscriptions you have made in the current tax year first and then from subscriptions you have made in previous tax years.

8.15. You must make Replacement Subscriptions in the same tax year as the withdrawal.

8.16. Replacement subscriptions will only count towards your current tax year ISA allowance once any previously withdrawn amounts (if they had been withdrawn since 6 April 2016).

8.17. Any income paid out to you under the Terms will count as a withdrawal for these purposes and you can therefore replace these amounts in your Flexi-ISA Account without them counting towards your annual subscription limit.

8.18. Where your Flexi-ISA account contains current tax year's subscriptions only, any withdrawals greater than the amount subscribed in that tax year (due to, for example, income accruals) can only be replaced in that account.

- 8.19. Replacement Subscriptions will be deemed to be applied firstly in respect of any withdrawal out of the previous tax years' subscriptions, if applicable, and secondly to the current tax year's subscriptions.
- 8.20. If the Replacement Subscription relates to a previous tax year's subscription, we will only add this to the same Account from which the withdrawal was taken.
- 8.21. Although a non-UK resident cannot invest into a Flexi-ISA account, Replacement Subscriptions can be made by a non-UK resident.
- 8.22. If you close your Flexi-ISA Account in accordance with the Terms and withdraw all of the cash contained in your Flexi-ISA Account, you may only make Replacement Subscriptions for previous tax years by re-opening that Account.
- 8.23. Replacement Subscriptions do not count as subscriptions for the purposes of determining whether you have subscribed to more than one ISA of the same type in the same tax year or determining whether you have made subscriptions to your Flexi-ISA account in a tax year.
- 8.24. If you decide to transfer your Flexi-ISA Account to another ISA manager, it will not be possible to make any Replacement Subscriptions with that new ISA manager in respect of any amount you withdrew that related to income earned on your Flexi-ISA Account without these subscriptions counting towards your current tax year ISA allowance.
- 9.2.2. When opening a Junior ISA Account, as well as fulfilling the parental responsibility requirement, you must be resident and ordinarily resident in the United Kingdom; or, if not resident, perform duties of a Crown employee which are treated as being performed in the United Kingdom, or be the spouse or civil partner of such a person. The child must also meet the same residency criteria at the time the Account is opened.
- 9.2.3. Once the Junior ISA Account is open, it can be subscribed to by any person or organisation, whether or not they or the child are resident in the United Kingdom.
- 9.3. Transferring your existing Junior ISA to Telford Mann:
  - 9.3.1. Subject to the ISA Regulations, you may transfer existing Junior ISA holdings from your current ISA manager to Telford Mann. Please note that each child can only have one Junior ISA of each type (cash, stocks and shares) at any one time.
- 9.4. Ownership, custody and registration of your investments:
  - 9.4.1. All investments will be registered by SEI in the name of its nominee, SEI Global Nominees, which will have legal ownership of the investments and hold them for your benefit. The nominee is a company within the SEI group whose sole purpose is to be registered as the legal owner of the investments held for you and our other clients. As this nominee company does not trade, it is unlikely to become insolvent, which provides added protection to the investments held in your Junior ISA Account.  
Any share certificates or other documents evidencing legal ownership of ISA investments will be held by SEI.
  - 9.4.2. All investments held within a Junior ISA Account will be, and must remain, beneficially owned by the child and may not be used as security for a loan.

## 9. Junior ISA accounts

This clause is only applicable if you open a Junior ISA Account on behalf of an eligible child.

- 9.1. ISA Manager:
  - 9.1.1. Telford Mann will be the manager of the Junior ISA.
- 9.2. Opening the Junior ISA Account:
  - 9.2.1. The Junior ISA will be a stocks and shares Junior ISA.  
To open a Junior ISA Account on behalf of a child, you must have parental responsibility and the child must meet the eligibility criteria contained in the ISA Regulations.

- 9.5. Corporate actions in the Junior ISA:
  - 9.5.1. You may incorporate any ISA qualifying investments arising out of a corporate action in the Junior ISA Account. Where we are able to do so, we will refuse to take up or accept an issue or offer relating to ineligible shares. Otherwise, we will ask you for your instructions.
  - 9.5.2. Subject to the terms of the corporate action, entitlements will be taken up at your request as long as there are sufficient funds in the Junior ISA Account. Otherwise, you may be able to sell part of an entitlement to take up the remainder.
  - 9.5.3. Shares received as a result of a take-over, merger, re-organisation or other corporate action can only be held in a Junior ISA if they are qualifying investments. If they do not qualify, they must be either sold or transferred to you. We will ask for your instructions; however, if we do not receive your instructions within the required period, we will sell your shares where we are able to do so. We may charge you for this.
- 9.6. Transferring the Junior ISA Account to another Junior ISA manager:
  - 9.6.1. Subject to compliance with the ISA regulations, you may transfer a Junior ISA Account to another Junior ISA provider, Following receipt of a written instruction we will carry out the transaction in accordance with the ISA regulations.
  - 9.6.2. Please note that, under the ISA Regulations, if you wish to transfer a Junior ISA to another manager, you must transfer all holdings (as Junior ISA holders are only allowed to have one active Junior ISA of each type at any one time).
- 9.7. Outsourcing:
  - 9.7.1. We will take reasonable steps to satisfy ourselves that SEI and any other agents or third parties to whom we delegate any of our functions or responsibilities, under the Terms agreed with you, are competent to carry out those functions and responsibilities.
- 9.8. Managing:
  - 9.8.1. Telford Mann will make claims, conduct appeals and reach agreement on the child's behalf for tax relief with the exception that we will not reclaim tax paid on foreign dividends or foreign distributions received in Junior ISA Accounts.
  - 9.8.2. We will send you all the communications that we are required to under the ISA Regulations and on request, we will make arrangements for you to attend meetings of shareholders or unitholders and to receive other communications, including annual reports and accounts, where applicable.
- 9.9. Closing or withdrawing from your ISA Account:
  - 9.9.1. Withdrawals from a Junior ISA Account are not permitted until the child attains 18 years of age (at which point full ISA access rights apply, as per clauses 8.10 and 9.10.2). The only exception will be as a result of the child's terminal illness or death (see also clause 9.9.3).
  - 9.9.2. If, after the termination of a Junior ISA, a small balance of £5 or less accrues due to residual tax amounts reclaimed from HMRC, we reserve the right at our discretion to pay the proceeds to a registered charity.
  - 9.9.3. The Junior ISA Account automatically terminates upon the child's death. Any tax claimed back from a dividend or interest payment received after that date must be repaid. The Junior ISA Account will be valued for probate as at the date of the child's death and dealt with as instructed by the child's executors.
- 9.10. ISA Regulations:
  - 9.10.1. The child attains the right to manage their own Junior ISA at the age of 16. In order for this to happen, the child must come forward to inform us that they are becoming the named contact on the Account.
  - 9.10.2. Junior ISAs automatically become full "adult" ISAs when the child attains 18 years of age; at that point, the child gets full access to the Account, which will then be managed as a full ISA (as per the ISA Regulations and clause 8 of these Terms).
  - 9.10.3. The management of the Junior ISA Account will be subject to the ISA Regulations. Any changes made by HMRC to the ISA Regulations that affect these terms will apply as soon as they come into effect.
  - 9.10.4. We will inform you if the Junior ISA Account has lost or will lose its tax exemption through any failure to meet the ISA Regulations. If an investment which was previously allowed under the ISA Regulations ceases to be allowed, Telford Mann will inform you of this and of any further action required by HMRC.



9.10.5. These Junior ISA Account Terms are based on our understanding of current law and HMRC's practice. These may change in the future and the favourable tax treatment of Junior ISAs may not be maintained.

## 10. How we provide our investment advisory service to you

10.1. The investments we will recommend for your Portfolio will comprise units in Collective Investment Schemes which are either authorised and regulated by the FCA, recognised (i.e. are authorised for distribution in the United Kingdom but not regulated by the FCA) or unregulated, including those which may be operated or advised by us or an Associate. It may also comprise other types of investment as set out in clause 3.11.

10.2. When you instruct us to buy or sell an investment we will normally, acting on your behalf, pass your order on to third parties for execution in accordance with our own Order Execution Policy which is designed to ensure that we obtain the best possible result for you. However, in some circumstances we may execute your order ourselves.

10.2.1. A summary of our Order Execution Policy is set out in our Best Execution Disclosure Statement at Schedule 3. This sets out information about the execution venues we use and the relevant execution factors. These arrangements will be reviewed and updated as necessary and we will notify you if we make any wide-ranging change to the execution venues or to the processes we use when deciding to whom to pass your orders.

10.2.2. By opening your Investment Advisory Account(s) with us you consent to our order execution policy and, where applicable, authorise us to execute transactions (or have transactions executed) on your behalf outside an EU-regulated market (such as a stock exchange) or Multilateral Trading Facility ("MTF") where we think this would be in your best interests.

In general terms the FCA uses the terms:

- (i) "regulated market" to refer to a multilateral system operated or managed by someone it calls a "market operator", to bring together various third parties who want to buy and sell certain types of investment in line with fixed rules that the market operator establishes; and

- (ii) "multilateral trading facility" to refer to alternative trading venues that also bring together parties who want to buy or sell certain types of investment, but offer an alternative to formal exchanges with fewer restrictions as to what investments can be traded on them.

10.2.3. By opening your Investment Advisory Account(s) with us you also provide us with the express instruction not to make public your orders to buy or sell investments at a specific price or better where they are not immediately executed under prevailing market conditions, unless we consider that it is in your best interests to do so.

10.3. When you instruct us to invest in an Initial Public Offering (IPO):

10.3.1. We will support clients in their IPO orders, but orders received will be placed on a best endeavours basis and clients should be aware that IPO allocation arrangements may mean that their order is not fulfilled.

10.3.2. We are unable to guarantee whether a client order will be successful.

10.3.3. Given the nature of issues with IPOs there may be a time delay before we are able to tell our clients how many shares (if any) they have been allocated.

10.4. Although we will aim to achieve the investment objective of the selected asset allocation model(s), we cannot guarantee or otherwise provide assurance that this investment objective will be achieved.

10.5. All investments involve a degree of risk. The value of investments and the income from them may go down, past performance is no indicator of future performance and therefore you may get back less than the amount you invested.

We describe in the risk warning section of our suitability reports the main risks which are relevant to the Investment Advisory Service. Please read them before subscribing to our Investment Advisory Service and contact us if you require clarification on any point. We may provide further risk information during the course of our services to you, as appropriate.

10.6. If you choose not to follow our advice on the selection of investments for your Account(s), your Account(s) will not be invested in line with the asset allocation model(s) we

recommended and to which you agreed.  
There is an increased risk that you may not achieve your targeted investment objective.

10.7. When we provide our Investment Advisory Service, in addition to investment recommendations we make to you, we may also make available to you information on investments or markets, such as research recommendations, market trends, investment analysis or commentary on the performance of selected companies ("Investment Information"). Investment Information is prepared for the benefit of all our clients and is not based on a consideration of your particular circumstances. You must not therefore treat any Investment Information as a personal recommendation or as investment advice given to you.

10.8. You can provide us with dealing instructions for your Investment Advisory Account by email, telephone or letter. We aim to facilitate instructions as soon as possible on receipt of request. It is your responsibility to ensure that dealing instructions have been received and actioned. We would encourage you to provide any urgent instructions by telephone or call us to confirm receipt of email/letter instructions.

## 11. Settlement

11.1. You are responsible for paying for each transaction we pass to third parties for execution on your behalf or that we execute for you, whether by payment of the purchase price, delivery of the relevant assets, or otherwise as the relevant market requires.

11.1.1. You must therefore ensure that before you instruct us to buy an investment on your behalf you have sufficient available cash in your Investment Advisory Account(s) and that any investment you instruct us to sell for you is in the custody of SEI.

11.1.2. If you do not comply with clause 11.1.1 and as a result a transaction that we execute on your behalf fails to settle and we suffer losses as a result, you will be responsible for compensating us for these losses.

11.2. Our obligation to deliver assets or the proceeds of the sale of any assets to your Investment Advisory Account(s) is conditional on our receipt of the relevant assets or sale proceeds from the other party to the transaction. Neither we, nor the third parties to whom we may pass your orders, will be liable to or compensate you, in the event that a counterparty (which is not us or the third party we used) fails to settle a transaction.

11.3. You should also be aware that the securities settlement conventions in certain markets outside the UK may result in a delay before proceeds of sale are received or title to a security passes to your Account(s).

## 12. Reporting to you

12.1. Unless we specifically agree with you otherwise, you will be provided with a valuation report online on a quarterly basis. This report will contain details of all the investments and any money held by SEI in respect of your Investment Advisory Account(s) at the end of the period covered by the valuation report.

12.1.1. Unless we agree otherwise with you, valuations will be based on the middle market price supplied by external information providers as at the close of business on the valuation date. In cases where a middle market price is not available, we may need to value an investment using a different basis, for example, the last traded price or estimation of the price or at cost.

12.1.2. For the avoidance of doubt, the valuation reports relate to transactions in the investments that you hold in your Account(s) for example, unit trusts or OEIC funds and not to any transactions relating to the underlying securities in those unit trusts or OEIC funds.

12.2. In addition to your valuation report we may also provide contract notes online for each transaction executed for your Investment Advisory Account(s).

12.3. We may provide further information in relation to your Account(s) as agreed with you, including specific information after the end of each tax year or when we start to provide the Investment Advisory Service to you.

12.4. The valuation reports and contract notes provided to you under this clause will show dates on which we expect funds to be available to you. The clearing systems of some countries may cause a different value date or credit date to be used in practice.

Your valuation reports may show transactions that have not been settled, but neither we nor SEI are required to include unsettled transactions in your valuation reports.

12.5. If there is a corporate action affecting the investments held in your Investment Advisory Account(s), we will make reasonable effort to contact you, usually by telephone or email, to recommend a course of action and to obtain your instructions.

- 12.5.1. Where relevant we will specify our own deadline within which we must receive your valid response.
- 12.5.2. If no valid response is received within the deadline we will normally act in accordance with the default terms issued by the relevant registrar for the investment in question.
- 12.5.3. Where your chosen course of action requires the payment of additional sums (e.g. rights issues), your instructions will not be considered valid unless the required cash is within your Account(s) by our specified deadline for valid response.
- 12.5.4. Valid elections received are deemed irrevocable and final.
- 12.5.5. We may also notify you of non-elective corporate actions where no election is required from you (e.g. change of name).

### **13. Market Abuse**

- 13.1. You agree that you will not by act or omission deliberately, recklessly or negligently engage in Market Abuse, or require or encourage another person to do so. If you are uncertain as to whether your dealings or proposed dealings are lawful, you must take legal advice.
- 13.2. We reserve the right to take any action we deem appropriate if we have suspicions about your Investment Advisory Account(s) being used to engage in Market Abuse. This action will include but is not limited to, refusing to act on your instruction. We are not obliged to give you any reason for our actions in this regard.

### **14. Money laundering**

- 14.1. We are legally obliged to submit a report to the National Crime Agency if we know, suspect or have reasonable grounds to suspect, that any person is engaged in money laundering, drug trafficking or the provision of financial assistance to terrorism. We are not normally permitted to inform anyone of the fact that we have made such a report. We may also cease to act without explanation in certain circumstances. You agree that we will not be liable to you for losses that arise from any action that we take in good faith and reasonably consider required under anti-money-laundering and anti-terrorism legislation.

### **15. Conflicts of interest**

- 15.1. We are required by the FCA Rules to establish,

implement and maintain a conflicts of interest policy to identify and manage conflicts of interest to ensure that they will not constitute or give rise to a material risk to your interest.

- 15.1.1. We provide you with a Summary of our Conflicts of Interest Policy at Schedule 4. Further details on our conflicts of interest policy are available upon request.
- 15.2. If the arrangements provided by our Conflicts of Interest Policy are not sufficient to prevent risk to your interests being prejudiced, we must disclose the general nature and sources of conflicts of interest before providing our Investment Advisory Service to you.
- 15.3. We will not disclose to you or use for your benefit any information which we or any person connected to us may have where to do so would or might be a breach of any obligation of confidentiality to any other person. Nor will we reveal any information to you or use it for your benefit where to do so would in our opinion place us in breach of a law or regulatory obligation.
- 15.4. We shall not in any event be obliged to take into account any information which, whilst held by us or by person connected to us, does not come to the actual notice of the individual responsible for giving recommendations or taking other action on your behalf.

### **16. Liability**

- 16.1. Our obligation to you is to provide our Investment Advisory Service and comply with our obligations under these Terms with the reasonable skill and care expected of an FCA-regulated investment professional who provides services such as we provide. We will therefore be liable for losses suffered by you to the extent that such losses are caused by our negligence, willful default, fraud or breach of our obligations under the Regulatory System.
- 16.2. Nothing in these Terms shall be read as excluding or restricting any liability we may have for death or personal injury or for breach of our obligations under the Regulatory System.
- 16.3. If we negligently fail to accurately carry out your instruction to sell an investment, you will be asked to choose whether you want us to:
  - 16.3.1 Pay you the difference between the price that you obtained on the sale and the price you should have obtained if we had carried out your instructions correctly; or
  - 16.3.2 Hold onto the investment where the value of

the investment has risen from the price you should have obtained.

16.4. If we negligently fail to accurately carry out your instruction to buy an investment, you will be asked to choose whether you want us to:

16.4.1 Buy the investment to put you in the position that you would have been in if we had carried out your instruction correctly; or

16.4.2 Pay you the difference between the price you should have paid for the investment and the price that you actually paid.

16.5. We will not be liable to you if we cannot perform our obligations by reason of any cause beyond our reasonable control, which could include but is not limited to any act of God, fire, act of Government or supranational bodies or authorities without a reasonable period of prior notice, war, civil commotion, insurrection, act of terrorism or threat thereof, embargo, failure of any telecommunication, computer dealing or settlement system, prevention from or hindrance in obtaining any energy or other supplies, labour disputes (affecting companies other than Telford Mann) of whatever nature, late or mistaken delivery or payment by any bank or counterparty. If an event of this kind occurs, we will take such steps as are reasonable and practicable in the circumstances with a view to minimising the effect of the event on you and will pass on to you (up to the amount of the losses you suffered) any compensation that we may obtain under any action that we take against a third party following such an event.

16.6. Where you make use of our paperless service, we would also like to draw your attention to the following:

- (i) Telford Mann shall use its reasonable endeavours to ensure continuous availability of the part of the Investment Advisory Service to which you can have access online (including without limitation any underlying communication services provided by third parties and of the documents and information mentioned in clauses 6.5 and 10.7) during business hours;
- (ii) The internet and the telecommunication systems may be subject to interruption or failure through no fault of ours;
- (iii) You are responsible for providing and maintaining the communications equipment (including personal computers and modems) that you use to access our Investment Advisory Service;
- (iv) We cannot guarantee that our Investment

Advisory Service will support all browser types and be fully compatible with your communications equipment; and

- (v) You are required to maintain a live email address for receipt of ongoing communications.

## 17. Complaints

17.1. You should contact us immediately if you are dissatisfied in any way with any aspect of our Investment Advisory Service. You can also at any time contact the Compliance Officer, Telford Mann, Ironstone Place, Kettering, NN14 1FN. Telephone: 01536 462700.

17.2. A complaint can be made in writing, by telephone, by email or in person. Your complaint will be handled in accordance with the FCA Rules. We treat every complaint very seriously and aim to resolve each complaint fairly and promptly.

17.3. We hope to resolve all complaints amicably. However, should we fail to resolve a complaint to your satisfaction or if we fail to do so within eight weeks of receiving your complaint, you can also direct your complaint to the Financial Ombudsman Service at Exchange Tower, Harbour Exchange Square, London, E14 9SR. Telephone: 0800 023 4567 or 020 7964 1000 and website: [financial-ombudsman.org.uk](http://financial-ombudsman.org.uk).

17.4. A copy of our complaint handling procedure is available on request and is also available on our website.

## 18. Compensation

18.1. We are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if we cannot meet our obligations towards you because of our financial circumstances.

18.2. Should you be entitled to compensation from the Financial Services Compensation Scheme, you may be able to recover up to 100% of the first £85,000 that you invested in your Investment Advisory Account(s) and each FCA authorised UK based fund manager on the Investment Management Service will qualify for the investment element of the FSCS.

18.3. Further information about compensation arrangements is available from the Financial Services Compensation Scheme, PO Box 300, Mitcheldean, GL17 1DY Telephone: 0800 678 1100



## 19. Joint Investment Accounts

- 19.1. If we accept an application for a Joint Investment Account (i.e. a single Account opened by two clients) we will agree with them from whom we may accept instructions which will bind both joint account holders. This means that each joint account holder has as much authority over the Account as they would were they the sole account holder – this includes the ability to withdraw some or all of the value of the Account (such monies may only be paid to the joint account holders' chosen UK bank or building society account). If you wish us only to act if we have instructions from both joint account holders, please contact us. We reserve the right to request written authority from both joint account holders.
- 19.2. The surviving account holder must notify us as soon as practicable upon becoming aware of the death of a joint account holder. Unless we are expressly instructed otherwise, we will assume that any subsequent purchase or sale of an investment will be made solely for the surviving joint account holder.
- 19.3. All joint account holders are bound by these Terms and each joint account holder will be jointly and severally liable to us. This means that each of the joint account holders is responsible for themselves and for the other joint account holder and we may take action against one or more of the joint account holders for any breach of the obligations which apply to an account holder under these Terms.
- 19.4. We will send notices and communications as agreed between us. In the event where there is no agreement or your requirement is not clear to us, we will send notices and communications only to one joint account holder, who will be treated by us as authorised to receive them on behalf of both the joint account holders.

## 20. Data Protection

- 20.1. If you open an account with us you will need to provide us with personal information about yourself and (in the context of joint accounts or if you are a corporate customer), about other individuals. In such cases it will be your responsibility to ensure that you have the consent of the people concerned to pass their information on to us.
- 20.2. Information relating to usage of our website is collected using cookies. These are text files placed on your computer to collect standard internet log information and visitor behaviour

information. We will use your information collected from the website to personalise your repeat visits to the site. Full details of how cookies work is provided on our website [www.telfordmann.co.uk](http://www.telfordmann.co.uk)

- 20.3. The primary legal basis that we intend to use for the processing of your data is for the performance of our contract with you. The information that we collect about you is essential for us to be able to carry out the services that you require from us effectively. Without collecting your personal data we would also be unable to fulfil our legal and regulatory obligations.
- 20.4. To fulfil our obligations in respect of anti-money laundering and other financial crime we will send your details to credit referencing agencies for identity verification purposes.
- 20.5. During the course of our relationship with you we will retain personal data which is necessary to provide services to you. We will take all reasonable steps to keep your personal data up to date throughout our relationship.
- 20.6. We are also subject to regulatory requirements to retain your data for specified minimum periods. These are generally:
- Five years for investment business
  - Indefinitely for pension transfers and opt-out business

These are **minimum** periods, during which we have a legal obligation to retain your records.

We reserve the right to retain data for longer where we believe it is in our legitimate interests to do so.

- 20.7. Transfers of personal data outside the European Economic Area
- SEI may transfer your personal data outside of the European Economic Area.
- Where your personal data is transferred outside the European Economic Area ("EEA"), SEI will ensure that it is protected in a manner that is consistent with how your personal data will be protected in the EEA and that all transfers of personal data outside the EEA are done lawfully. This can be done in a number of ways, for instance, under an agreement which covers the EU requirements for the transfer of personal data outside the EEA, such as the European Commission approved standard contractual clauses.

You can obtain more details of the protection given to your personal data when it is transferred outside the EEA by contacting us using the contact details below.

Please also refer to the Privacy Notice on the SEI website at [www.sei.com/privacy-policy](http://www.sei.com/privacy-policy)

- 20.8. You have the right to request deletion of your personal data. We will comply with this request, subject to the restrictions of our regulatory obligations and legitimate interests as noted above.
- 20.9. You have the right to request a copy of the information that we hold about you. If you would like a copy of some or all of your personal information, please email or write to us using the contact details noted below. We have an obligation to ensure that your personal information is accurate and up to date. Please ask us to correct or remove any information that you think is incorrect.
- 20.10. If you have any questions about our privacy policy or information we hold about you please contact us by email at [dataprotection@telfordmann.co.uk](mailto:dataprotection@telfordmann.co.uk) or write to us at Telford Mann, Ironstone Place, Kettering, NN14 1FN.

## 21. Fees

- 21.1. We will charge fees and charge interest in respect of overdue amounts for our Investment Advisory Service under these Terms in accordance with our published rates as contained in the "About Us" document or as otherwise agreed in writing. Please note that you may incur costs or taxes that are not paid via us or imposed by us.
- 21.2. Copies of the document "About Us" are available on our website and on request.
- 21.3. We may vary any fees, interest rates on the basis provided in clause 27, and any changes will be advised to you accordingly.
- 21.4. You are responsible for any costs we or our agents properly incur under these Terms, including reasonable transfer and registration fees, taxes, stamp duties and other fiscal liabilities.
- 21.5. If you open an Investment Advisory Account with us because of an introduction by a third party, we may make a one-off payment to the introducer or pay ongoing fees on your instruction only.
- 21.6. We will provide you with further details about our arrangements regarding the payment or receipt of fee or non-monetary benefits prior to providing you with our service and at any point thereafter, on request.
- 21.6.1. We will normally collect any fees attributable to our Investment Advisory Service by

deducting them from un-invested cash in any of your Investment Advisory Account(s) as described in clause 3.5. Fees arising in connection with a Joint Investment Account will normally be collected from the Investment Account nominated for this purpose in the Account Opening Documents. If there is insufficient cash available in your Investment Advisory Account(s) we may have to sell sufficient of your investments to cover our fees, the costs for which you will be liable for where appropriate. We may also deduct fees from your chosen UK bank or building society account and in respect of which we have a Direct Debit mandate (please refer to clause 5.13).

- 21.6.2. For fees arising on an ISA Account, where you have chosen for the fee to be collected by Direct Debit and processed through your ISA Account, you will not receive any tax relief on fees collected in this way.
- 21.6.3. You should be aware that there may be a charge for BACS collection failure. Please contact us for details of this charge.
- 21.7. In all cases our fees (including any interest) are payable within ten Business Days after they become due or if invoiced within ten Business Days after you receive our invoice.
- 21.8. Where you choose to transact in investments on an execution-only basis within your Advisory Account(s), you will do so under these terms and conditions except without seeking or accepting advice (such terms being available on request) and except that the applicable fee tariff will be as outlined in our, "About Us" publication.

## 22. Tax

- 22.1. You remain entirely responsible for the management of your tax affairs, including making any applicable returns and payments and complying with any applicable laws and regulations.
- 22.2. The non-discretionary management of your Investment Advisory Account(s) may give rise to capital gains tax liabilities; however we do not give any promise that we will manage your Investment Advisory Account(s) to mitigate any tax liability or maximise any tax advantages even though you may inform us of them.
- 22.3. You must tell us without delay of any change to your residency or citizenship status. You must also provide any information concerning your identity or affairs that we may from time to time reasonably request.

- 22.3.1. If we believe you are required to report your income or may be subject to tax in another country, it may be obligatory for us to share information about your Account(s) with the UK's and/or other country's tax authority. In such circumstances we may be required to disclose this information about your Account(s) either directly to the respective overseas tax authority or to the UK's tax authority who may share that information with the appropriate overseas tax authority.
- 22.3.2. To facilitate any such reporting we may request additional information from you. If you do not provide any requested information within a reasonable time or within any stated deadline, we may be obliged by the law and/or regulations governing us to withhold all or parts of any specified receipts into your account. Any withheld amounts may have to be passed on to the UK's or relevant overseas tax authority. We will only do this where we believe, in our absolute discretion, that we are required to do so by our governing laws and/or regulations.
- 22.4. Where fees charged by us are expressly stated as exclusive of any tax duty or levy which may arise on them (and in particular exclusive of Value Added Tax), we will add these taxes, duties or levies to the balance of fees as is appropriate.
- 22.5. All payments made to you related to income arising from investment and all money and assets contained in your Investment Advisory Account(s) shall be subject to deduction of any applicable taxes or other levies and we may account for these to the appropriate authorities as required by law or practice.
- 22.6. Tax credits from dividends received into your Telford Mann Account(s) will not be automatically reinvested. If you want to reinvest these you should contact your Financial Planner.

## **23. Termination**

- 23.1. These Terms shall continue and remain in force unless and until terminated by either party by not less than 30 days' notice in writing by one party to the other provided that these Terms may be terminated immediately by notice in writing by the one party ("the notifying party") to the other, if the other shall:
- 23.1.1. Commit any material breach of its obligations under these Terms and if such breach is capable of being made good, shall fail to make good such breach within seven days of receipt of a written notice from the notifying party

requiring them to do so; or

- 23.1.2. Be liquidated or dissolved or declared bankrupt or be unable to pay their debts as they fall due.
- 23.2. Notwithstanding the provisions of clause 23.1, these Terms will be terminated automatically if we cease to be authorised by the FCA.
- 23.3. On termination of these Terms, no additional payment will be required from you. However, we may charge you for the following:
- 23.3.1. Any fees, costs, charges or expenses that have accrued to the date of termination;
- 23.3.2. Any additional expenses necessarily incurred by us in terminating those Terms; and you will have to bear any losses necessarily realised in settling or concluding outstanding obligations.
- 23.4. Termination of these Terms shall be without prejudice to the completion of transactions already initiated. Such transactions will be completed by us as soon as practicable.
- 23.5. Upon termination in accordance with this clause 23 the rights and obligations of the parties under these Terms shall terminate, except that clauses 16 and 30 shall remain in full force and effect.
- 23.6. Upon termination of these Terms, SEI's Custody Terms with you will immediately terminate. On termination of SEI's Custody Terms, SEI will promptly account to you for the investments held by it (and direct any nominee or sub-custodian to do the same), save that SEI may retain and/or realise such investments as may be required to settle transactions already initiated and to pay any outstanding liabilities relating to these Terms, owing to any counterparty or to SEI for services provided in accordance with SEI's Custody Terms.

## **24. Your cancellation rights**

- 24.1. You may cancel your Agreement with us within 14 days from the date it began. You can do this in writing to Telford Mann, Ironstone Place, Kettering, NN14 1FN. Please be aware that if you cancel any investments as a result of exercising your cancellation rights, you may get back more or less than you put in as a result of price movements over the period and the deduction of our charges and costs incurred for the period in accordance with our terms.

## **25. Transfer**

- 25.1. You may not transfer your rights and your obligations under these Terms to anyone else.
- 25.2. We may, after not less than 30 days' prior written notice to you transfer our rights and our obligations under these Terms to another company or firm which at the time of such transfer is authorised and regulated by the FCA or its successor authority.

## **26. Rights of third parties**

- 26.1. Except as set out in clause 16 and in relation to any rights of SEI under these Terms, a person who is not a party to these Terms is not intended to have a right to enforce any provisions of these Terms. Any statute giving contractual or other rights to third parties including the Contracts (Rights of Third Parties) Act 1999 will not apply.

## **27. Changes to these terms**

- 27.1. We may change these Terms from time to time in whole or in part and we will give you at least 30 days' notice in writing of any changes before providing services to you under the changed terms. Reasons for amendment may include but are not limited to the following:
  - 27.1.1. to take account of changes in legal, tax or regulatory requirements or market practices or in the costs of providing our services;
  - 27.1.2. to fix any errors, inaccuracies or ambiguities we may discover in the future;
  - 27.1.3. to make it clearer or more favourable to you;
  - 27.1.4. to take account of any changes in the way we, our Associates, agents or suppliers do business or price our services or any reorganisation we may conduct within the group of companies of which we are a member, or to transfer our rights and obligations under this Agreement to another company in our group; and/or
  - 27.1.5. to provide for the introduction of new or improved systems, methods of operation, services or facilities.
- 27.2. In accordance with clause 21.3 we may vary our fees and costs of our services from time to time or introduce alternative charging structures. Any changes introduced will be comparable to the charges you are already paying and in line with market rates. Information on our fees and costs will be available on our website or upon request. Any new terms or charges will only come

into force once the 30-day notification period has expired.

- 27.3. As stated in clause 5.9.3 we reserve the right to arrange for your assets to be transferred to and held by an alternative custodian that Telford Mann may appoint. We will give you at least 30 days' notice in writing before proceeding with such an arrangement.
- 27.4. You have the right to terminate these Terms if you object to a change we propose to make, by following the procedure in clause 23. No additional charges or penalties are payable by you when you terminate in these circumstances, although clause 23 will continue to apply in the ordinary way.
- 27.5. No change will affect any outstanding order or transaction or any other legal rights or obligations which may have arisen before the date of the change.

## **28. Outsourcing and use of agents**

- 28.1. We may delegate any of our functions to a third party and may provide information about you and your investments to any such third party. We will remain liable for the acts and omissions of our delegates as if we had committed or omitted to commit them ourselves.
- 28.2. We may employ agents to perform any ancillary services required to enable us to provide our Investment Advisory Services. We will act in good faith and with due diligence and reasonable care in the selection, use and monitoring of agents.

## **29. Interpretation**

- 29.1. In these Terms, unless the context requires otherwise:
  - 29.1.1. Headings and titles are for convenience only and do not affect its interpretation; and
  - 29.1.2. The singular includes the plural and vice versa.
- 29.2. If a court decides that any clause or part of any clause is not valid or enforceable for any reason, the remaining clauses will not be affected.
- 29.3. If you or we do not exercise or if you or we delay in exercising a right, power or remedy provided by these Terms or by law, this will not mean that you or we have agreed to waive or give up that right, power or remedy.
- 29.4. If you or we exercise any right, power or remedy provided by law or under these Terms, this will not prevent you or us from exercising any other right, power or remedy that you and we have.



## 30. Governing law

- 30.1. These Terms are legally binding and shall be governed and construed in accordance with the laws of England and Wales or with the laws of Scotland if you live in Scotland or with the laws of Northern Ireland if you live in Northern Ireland. Both you and we submit to the non-exclusive jurisdiction of the courts of England and Wales, or the Scottish Courts if you live in Scotland or the Courts of Northern Ireland if you live in Northern Ireland.

## 31. Notices

- 31.1. Any notice given under these Terms shall be in writing.
- 31.2. Any notice given by us by post will be deemed given two Business Days after posting to you, at an address in the UK, and five Business Days after posting to an address abroad.
- 31.3. Any notice given by hand delivery or by fax will be deemed given upon delivery or transmission.
- 31.4. Any notice given by email will be deemed to have been received one Business Day after being transmitted.
- 31.5. In proving service or delivery of the relevant communication, it shall be sufficient for us to prove that it was correctly addressed to the last address notified in writing by you to us, and where sent by fax, or other means of telecommunication, that it was transmitted to the correct number or email address as last notified by you, to us, in writing or via our website.

### **Schedule 1 – Key And Important Information Relating To SEI's Custody Of Your Investments**

In this Schedule 1 ONLY, the words "we", "us", "our" means SEI.

Updated: 1 January 2018

We are required to provide you with certain information about our regulatory responsibilities. In order to assist you in reviewing this information, we have provided it in the form of questions and answers which we hope will assist in your review. If you have any questions about any of the information in this document, please contact Telford Mann.

## 1. General Information

- 1.1 What is SEI's relationship with Telford Mann and you?

Telford Mann has entered into an agreement with SEI whereby Telford Mann has arranged for SEI to provide safe custody, administration and other associated services for Telford Mann clients. Telford Mann entered the Agreement as your agent and so there is a direct relationship between you and SEI which is governed by the enclosed Custody Terms.

Upon entering into the Investment Advisory Service, you are legally bound by the Custody Terms and become a client of SEI in relation to the services provided under those Terms. SEI will be responsible for complying with the regulatory requirements relating to the Custody Terms and will treat you as a Retail Client giving you the highest level of regulatory protection available. Telford Mann will retain regulatory responsibility for all other aspects of the services provided to you including the provision of investment advice, discretionary investment management and the execution of any trades carried out on your behalf.

## 2. General Information

- 2.1 How is SEI regulated?

SEI is authorised and regulated by the FCA. SEI's Firm Reference Number is 191713. You can find more detailed information on SEI's regulatory status on the FCA Register which is accessible at [www.fca.org.uk/register](http://www.fca.org.uk/register). The FCA is located at 12 Endeavour Square, London, E20 1JN. Further contact details for the FCA can be found at [www.fca.org.uk](http://www.fca.org.uk).

- 2.2 Will SEI communicate with you directly?

All of SEI's communications with you will be through Telford Mann (unless SEI is obligated to do otherwise by the FCA).

All communications will be in English.

- 2.3 Will you receive statements from SEI?

As your Custodian SEI is obligated to provide you with a periodic Custody Statement of the investments and money that SEI holds for you.

SEI will provide this at least once a quarter either as part of the Investment Advisory Service provided by Telford Mann or as a standalone Custody Statement.

If you have opted to receive your statements in electronic format, SEI will facilitate the provision of an electronic statement via Telford Mann who will be able to provide

more detail on how this will be made available to you upon request.

In these circumstances, SEI will not provide you with an additional paper copy.

2.4 What fees does SEI charge for the services that it provides to you?

The services provided to you by SEI are part of a broader suite of services provided to Telford Mann and SEI receives a bundled fee from Telford Mann directly in relation to these services. Telford Mann may charge you a fee which incorporates the services provided by SEI.

Please note that SEI may retain some of the interest earned in client money bank accounts and may charge you for overdrafts on your cash account should they occur.

### 3. Client money

3.1 What are client money bank accounts and how do they operate?

Money in your Telford Mann Account will be held by SEI as client money in accordance with the FCA Rules. These rules require SEI to hold your money in "client money" bank accounts which are established with statutory trust status. This means that money held within the accounts is recognised by the bank as belonging to clients of SEI rather than SEI itself. In this way SEI holds your money as a trustee.

SEI further segregates all client money bank accounts from any bank accounts holding money belonging to SEI by arranging for the client money bank accounts to be named in a manner which makes it clear that the money held within the accounts is for the benefit of clients and not SEI.

3.2 How does SEI choose where it holds your money?

You will deposit money into SEI's UK client money bank accounts. This may then be subsequently deposited into client money bank accounts at a range of other banks chosen by SEI. The spreading of client money across a number of banks is designed to help reduce the risk of client money being lost in the event of any one bank failing.

SEI may deposit your money in a bank outside the UK, in Europe or the United States, where deemed prudent to do so. In such circumstances, it is important to note that such banks will be subject to a different legal and regulatory regime from that of UK banks and the rights and protections afforded to you under the FCA Rules will not be available to you. For example, the client bank accounts

may not be established with trust status and your money may be treated differently in the event of a bank failure than it would be if it was held with a UK bank.

SEI is responsible for exercising reasonable care and due diligence in the initial selection and ongoing monitoring of all banks where client money is deposited with the security of your money being SEI's primary consideration. However, SEI will not be responsible for any acts, omissions or failure of the banks.

SEI may place a portion of cash in the client money pool into unbreakable time deposits at a third-party deposit taker, in line with the FCA's Client Money rules. Your cash may be placed in a mix of terms – between instant access and unbreakable term deposits up to the maximum allowed by the FCA rules.

The mix of terms will be balanced by SEI to deliver an appropriate combination of interest, diversification of risk and timely access to cash at the individual customer level. In the unlikely event that SEI places too much money on a time deposit it may take longer to return some cash.

A list of the banks that SEI uses to hold client money is available on request.

3.3 What protections are in place for the client money bank accounts in the event of the failure of a UK bank?

If any of the UK banks chosen by SEI fail and cannot return your money, you may be eligible to claim compensation under the Financial Services Compensation Scheme ("FSCS"). The current compensation limit is £85,000 per eligible claimant, per bank and the limit covers all money held with the bank whether through SEI or directly. Full details of the arrangements under the FSCS are available at its website at: [www.fscs.org.uk](http://www.fscs.org.uk).

It is important to note that if one of the banks fails, your money will be pooled with money held in client bank accounts for other SEI clients and you will have a claim against the common pool of money rather than a claim against a specific sum in a specific account. As a result, any shortfall in the client bank accounts will be shared pro rata between all SEI clients.

3.4 Does SEI have any rights in relation to your money?

In the event that you owe a debt to SEI in relation to services SEI has provided under the Custody Terms, SEI may use any of the money held for you to pay off or reduce that debt.

3.5 Can SEI pay fees that you owe to Telford Mann

from a client money bank account?

Under the Custody Terms, you have permitted SEI to collect and pay fees that you owe to Telford Mann from money held for you in a client money bank account.

3.6 What happens to unclaimed money?

Where SEI has held your client money for 6 years, following the last movement on your account (not including any applicable interest payment, fee collection or similar) and Telford Mann or SEI have been unable to trace and contact you, to pay you this money, over that time, SEI is able to treat this balance as unclaimed client money. This means SEI will cease treating the amount as client money and is able to pay the balance away to a registered charity of SEI's choice.

In accordance with FCA Rules, SEI will retain a record of this action, which does not stop you from claiming this balance from SEI even after it has been paid away.

3.7 What is Contractual Settlement?

Contractual Settlement is a tool that facilitates cash and liquidity management for the investor. SEI will move cash into your account and move the securities out of your account on the day you are meant to settle your transactions, regardless of what may have actually happened with the broker or fund manager. We will do the opposite for purchases.

This process insulates you from the securities settlement process and simplifies the money movement processes. In rare cases these postings may need to be reversed because of an unusual market event. If that did occur you will be notified by Telford Mann.

## 4. Custody

4.1 Where are your assets held?

SEI is responsible for holding the assets within your Telford Mann Account in safe custody. Your assets are held in the name of SEI Global Nominee Ltd on behalf of you as a client of Telford Mann.

4.2 Who is SEI Global Nominee Ltd? What role does it play?

SEI Global Nominee Ltd is used to assist in ensuring all client assets are segregated from the assets of SEI. SEI Global Nominee Ltd is a Nominee Company which is used by SEI as it has no material liabilities and is a separate entity from SEI. Therefore your assets would not be available to an administrator

or liquidator of SEI, or its parent company, SEI Investments Company, in the event that bankruptcy proceedings against SEI should ever occur.

4.3 Are there any other custodians holding your assets?

SEI may use a number of third-party custodians (also known as sub-custodians) to administer and hold some of your assets.

SEI will be responsible for exercising reasonable care and due diligence in the initial selection and ongoing monitoring of the sub-custodians but will not be responsible for any acts, omissions or failure of the sub-custodians.

In certain circumstances, SEI may select a sub-custodian outside the UK where deemed prudent to do so. In such circumstances, it is important to note that such sub-custodians will be subject to a different legal and regulatory regime from that of the UK and the rights and protections afforded to you under the FCA rules may not be available to you. For example, there may be different practices for the separate identification of your assets which may result in them being subject to third-party claims in the event of the failure of the sub-custodian.

4.4 How does SEI protect your assets?

All custody accounts are operated in accordance with the applicable FCA Rules. Under these rules, SEI is required, amongst other things, to make adequate arrangements to safeguard your ownership rights and to prevent the use of your assets for SEI's own account. SEI has put procedures in place designed to meet the following obligations:

- records and accounts are kept as necessary to enable SEI to distinguish assets held for one client from the assets held for any other client and from SEI's own assets; and
- reconciliations are made to SEI's own internal accounts and records and those of any sub-custodians with whom your assets are held.

All client assets will be held in omnibus accounts by SEI Global Nominee Ltd. This means that SEI Global Nominee Ltd will pool your assets with the assets of other clients and therefore your individual entitlements may not be identifiable by separate certificates or physical documents of title. In the event of a shortfall in the accounts following a default of SEI Global

Nominee Ltd or a sub-custodian, you may not receive your full entitlement and may share any losses pro rata with other clients.

4.5 What happens to unclaimed custody assets?

Under FCA Rules, where SEI has custodied an asset for you for over 12 years, and in that time you have not sent any instruction to Telford Mann or SEI with respect to that asset and Telford Mann or SEI has been unable to trace and contact you about the holding, SEI is able to liquidate the holding and pay the proceeds away to a registered charity of SEI's choice, or gift the holding to a registered charity of SEI's choice.

In accordance with FCA Rules, SEI will retain a record of this action, which does not stop you from claiming a sum equal to the value of the holding at the time it was paid away/gifted.

4.6 What compensation is available to you in the event of the failure of SEI in its role as Custodian?

In the event that SEI is unable to meet any of its liabilities, compensation may be available to you under the Financial Services Compensation Scheme ("FSCS"). The current compensation limit in relation to investment business is £85,000 per eligible claimant. Full details of the arrangements under the FSCS are available as outlined above.

## 5. Conflicts of Interest

### (A) Introduction

SEI Investments Europe Limited ("SIEL"), as a global multi-service firm, is likely to find itself in situations where the interests of one client of SIEL may compete with:

- those of another client of SIEL; or
- the interests of SIEL (or members of the Group to which SIEL belongs (i.e. the "SEI Group")); or
- the interests of SIEL's managers, employees, appointed representatives (or where applicable, tied agents) or any person directly or indirectly linked to them by control ("Relevant Persons").

In accordance with Article 47(1)(h) of Commission Delegated Regulation (EU) 2017/565 (the "MiFID Org Regulation") and the Financial Conduct Authority ("FCA")'s Conduct of Business sourcebook ("COBS") 6.1ZA.2.1 EU 47(1)(h), this document represents a summarised version of SIEL's Conflicts of Interest policy, which SIEL maintains in accordance with Article 34 of the MiFID Org

Regulation, the FCA's Principles for Businesses – Principle 8 and relevant applicable rules contained in Chapter 10 of the FCA's Senior Management Arrangements, Systems and Controls sourcebook ("SYSC").

This summary document sets out SIEL's approach to identifying and preventing or managing conflicts of interest which may arise during the course of its business activities. Further details of SIEL's Conflicts of Interest policy can be provided upon request.

### (B) What are conflicts of interest?

During the course of investment services and activities and ancillary services carried out by or on behalf of SIEL, there are a number of circumstances which constitute, or may give rise to, or may be perceived to be, a conflict of interest entailing a risk of damage to the interests of one or more clients. The three main categories of potential conflicts of interest include:

- **Between SIEL (including SEI Group entities) and a client of SIEL:** Situations may arise where the interests of SIEL (or the SEI Group) conflict with those of a SIEL client. This includes, for example, any instances where SIEL (or SEI) is likely to make a financial gain, or avoid a financial loss, at the expense of the SIEL client or where it has an interest in an outcome which differs from SIEL's client's interest.
- **Between two or more clients of SIEL:** Situations may arise where the interests of a client conflict with those of other clients. This includes, for example, where there is a financial or other incentive to favour the interest of another client or group of clients over the interests of the client, or a situation where confidential information about one client could be provided to another.
- **Between Relevant Persons and a client of SIEL:** Situations may arise where the interests of Relevant Persons conflict with the interests of a client of SIEL. For example, a conflict of interest may arise where Relevant Persons receive from a person, other than the client, an inducement (in the form of monies, goods, or services) in relation to a service provided to the client other than the standard commission or fee for that service.



### **(C) Identification of conflicts of interest**

SIEL has appropriate internal controls (including a periodic review of business activities and specific transactions) to identify and record circumstances which constitute, or may give rise to, or may be perceived to be, a conflict of interest and whose existence may damage the interests of a client. These arise or may arise in the course of SIEL providing certain investment and ancillary services or a combination thereof and include those caused by the receipt of inducements from third parties or by SIEL's own remuneration and other incentive structures. SIEL has an ongoing management reporting process for potential and existing conflicts of interest.

### **(D) Records of conflicts of interest**

As required, SIEL keeps and regularly updates its record of the types of services or activities carried out by or on behalf of SIEL in which circumstances, which constitute, or may give rise to, or may be perceived to be, a conflict of interest and whose existence may damage the interests of one or more clients, have arisen or, in the case of an ongoing service or activity, may arise.

### **(E) Circumstances in which conflicts of interest may occur**

- SIEL or a Relevant Person is likely to make a financial gain or avoid a financial loss, at the expense of the client;
- SIEL or a Relevant Person has an interest in the outcome of a service provided to the client or of a transaction carried out on behalf of the client, which is distinct from the client's interest in that outcome;
- SIEL or a Relevant Person has a financial or other incentive to favour the interest of another client or group of clients over the interests of the client;
- SIEL or a Relevant Person carries on the same business as the client; and
- SIEL or a Relevant Person receives or will receive from a person other than the client an inducement in relation to a service provided by SIEL, in the form of monetary or non-monetary benefits or services.

### **(F) Arrangements to prevent or manage conflicts of interest**

As part of SIEL's organisational and administrative arrangements, SIEL has

specified procedures, which are followed, and measures that have been adopted, to prevent or manage conflicts of interest.

In addition to the existence of relevant governance arrangements, escalation procedures to senior management (including SIEL's Board, where appropriate), relevant guidance and specific training provided to SIEL employees and appropriate segregation of SIEL employees' duties and responsibilities, the following are examples of SIEL policies which, among other things, specify measures and controls adopted by SIEL in order to prevent or manage conflicts of interest:

- Conflicts of Interest policy (internal guidelines for employees, related to identification, prevention and management of conflicts of interest)
- Remuneration policy
- SIEL or a Relevant Person has a financial or other incentive to favour the interest of another client or group of clients over the interests of the client;
- Suitability policy
- Order Handling & Execution policy
- Client Communications policy
- Incidents, Breaches and Complaints policies and procedures (including SIEL's Route Cause Analysis policy)
- Personal Account Dealing policy
- Inducements (including Gifts & Benefits) policy

### **(G) Disclosure of conflicts of interest**

To the extent that the organisational and administrative arrangements established by SIEL to prevent or manage its conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the client will be prevented, SIEL will disclose this fact to the relevant client(s) together with a specific description of the conflicts of interest that arise in the provision of the relevant investment and/or ancillary services. Such description will explain the general nature and sources of conflicts of interest, as well as the risks to the relevant client(s) that arise as a result of the conflicts of interest and the steps undertaken to mitigate these risks, in sufficient detail to enable that client(s) to take an informed decision with respect to the investment or ancillary service in the context of which the conflicts of interest arise.

## Schedule 2 – SEI Investments (Europe) Limited

### Terms and Conditions for Custody Services

#### 1. Background

- 1.1 Telford Mann (the “Intermediary”) provides investment services to you, its customers (each a “Customer”); and has appointed SEI Investments (Europe) Limited (“SEI”) to provide dealing and custody services for this purpose, on the basis that SEI will be directly responsible to each Customer for the custody services.
- 1.2 These Terms set out the basis on which SEI agrees to provide custody services to the Customers, and constitute a separate legal agreement between SEI and each Customer.
- 1.3 The table at the end of these Terms sets out various expressions used with special meanings in these Terms and the meaning attributable to each of them. These expressions are used with capital letters in these Terms.

#### 2. Appointment

- 2.1 These Terms take effect between SEI and a particular Customer from the point when SEI first receives Customer Assets and/or Customer Money to hold on behalf of that Customer.
- 2.2 These Terms will continue to apply in relation to a particular Customer until terminated in accordance with paragraph 17.
- 2.3 SEI will act on instructions from the Intermediary, as agent for the Customer, in providing its services under these Terms.
- 2.4 Where the consent of the Customer is required in order to provide certain services under these Terms, the Intermediary will explain the position to the Customer and obtain the necessary consent. The Customer will have provided the Intermediary with such consent when signing terms of business with the Intermediary.

#### 3. Responsibilities of SEI

- 3.1 SEI will provide the following services (the “Services”):
- holding all Customer Assets or arranging for them to be held in safe custody;
  - collecting all distributions and other entitlements arising on Customer Assets and accounting for them to the Customer;
  - settling transactions to acquire or dispose of Customer Assets on the

instructions of the Intermediary and using funds provided for the purpose by the Customer;

- informing the Customer or Intermediary of corporate actions and other events affecting Customer Assets;
- holding money on behalf of the Customer where required for the purpose of providing the above services; and
- transferring all Customer Assets and money held on behalf of the Customer to the Customer or as they or the Intermediary may direct on termination of the appointment pursuant to these Terms.

- 3.2 The Services will not include advising on or managing investments or executing transactions, which will be the responsibility of the Intermediary.
- 3.3 SEI will use reasonable care and due diligence in providing the Services.
- 3.4 SEI will comply with the FCA Rules that apply to it as holder of Customer Assets and Customer Money. Nothing in these Terms will override its obligations under the FCA Rules.
- 3.5 SEI will settle all transactions undertaken by it subject to SEI holding or receiving all necessary documents or funds and will do so on such basis as is good market practice for the type of Securities and market concerned and normally on the basis of “delivery-versus-payment” (“DVP”). In respect of transactions that SEI settles for the Customer on a DVP basis through a commercial settlement system SEI will use the DVP exemption in the FCA Rules excluding cash and securities from Client Money and Client Asset respectively. In the event that SEI is not able to rely on the DVP exemption (for example because settlement has not occurred by the close of business on the third business day following payment or delivery by the Customer), SEI will treat cash and Securities held for the Customer in accordance with the FCA Rules. SEI’s obligation to account to the Customer for any Securities or the proceeds of sale of any Securities will be conditional upon receipt by SEI of the relevant documents or sale proceeds.

#### 4. Responsibilities of the customer

- 4.1 The Customer is responsible for ensuring that each Customer Asset is, at all times when it is held in the custody or under the control of SEI, free from any rights in favour of any third party (including but not limited to rights

of security granted to a creditor or beneficial interests under a trust), except for:

- a) rights in favour of SEI, any third party engaged by SEI under these Terms, or the Intermediary;
- b) rights of beneficiaries under an express trust that are notified to and acknowledged by SEI; and
- c) rights in favour of a third party arising in the normal course of a transaction settled by SEI pursuant to these Terms.

4.2 The Customer will pay or will reimburse SEI for any liability to a third party which SEI may suffer or incur as a result of a breach of these Terms by the Customer, except if and to the extent that the relevant expenses or liabilities arise from any negligence or breach of duty of these terms by SEI.

4.3 The Customer shall deliver to SEI or Telford Mann any necessary documentation to ensure the timely processing of Securities transactions as SEI may reasonably require.

4.4 The payment of cash or release or delivery of Securities shall be made upon receipt of instructions where relevant, and (i) in accordance with the customary or established practices and procedures in the relevant jurisdiction or market or (ii) in the case of a sale or purchase made through a Securities System, in accordance with the rule, regulation and conditions governing the operation of the Securities System.

4.5 SEI and its sub-custodians shall not be obliged to accept Securities under these Terms which in the opinion of SEI are not in good deliverable form. SEI is not responsible for checking or otherwise responsible for the title or entitlement to, validity or genuineness, including good deliverable form, of any property or evidence of title to property received by SEI under these Terms.

## 5. Custody of investments

5.1 The Customer authorises SEI to arrange for title to Client Assets to be registered or recorded in the name of: (i) the Customer (ii) a nominee company controlled by SEI; an affiliated company of SEI or; a third party with whom financial instruments are deposited; as bare trustee for each Customer or (iii) SEI or one or more sub-custodians chosen by it, provided SEI or a sub-custodian is prevented from registering or recording legal title as set out in (i) or (ii).

5.2 Client Assets may be held in omnibus

accounts and be registered collectively in the same name for all customers and therefore the individual entitlements of each Customer may not be identifiable by separate certificates or other physical documents of title. **If SEI or a sub-custodian were to become insolvent, any shortfall in Securities so registered would be shared pro rata among all of SEI's customers concerned.**

5.3 Where instructed to do so, or where SEI considers it in the best interests of the Customer to do so, SEI may arrange for a third party to provide custody and/or settlement services in relation to certain Customer Assets. Where the third party is an Affiliate of SEI, SEI will be responsible for the service provided by the third party to the same extent as if the service had been provided by SEI itself.

5.4 Where services are provided by a third party which is not an Affiliate of SEI, SEI will exercise reasonable care and due diligence in selecting them and monitoring their performance, but does not guarantee proper performance by the third party and will not itself be responsible if the third party fails to meet its obligations. **This means that if the third party defaults or becomes insolvent, the Customer may lose some or all of their assets and will not necessarily be entitled to compensation from SEI. Including, in circumstances where it is not possible under the relevant national law and the registration under clause 5.1 to identify the Client Assets from the proprietary assets of the third party firm.**

5.5 Where SEI provides services in respect of securities which are held by a third party in, or which are subject to the law or market practice of, a country outside the United Kingdom, the settlement, legal and regulatory requirements in the relevant overseas jurisdiction may be different from those in the United Kingdom and there may be different practices for the separate identification of securities.

5.6 SEI is covered by the Financial Services Compensation Scheme (FSCS). The Customer may be entitled to compensation from the scheme up to a maximum of £85,000 (or such other value covered from time to time by the FSCS) for investment claims if SEI cannot meet its obligations.

Further information about compensation arrangements is available from the FSCS directly.

Website: [www.fscs.org.uk](http://www.fscs.org.uk)

Telephone: 0800 678 1100 Address: Financial Services Compensation Scheme, PO Box 300, Mitcheldean, GL17 1DY

## 6. Right of Lien Sale, Set Off and Unclaimed Assets

- 6.1 The Customer hereby grants SEI a security interest in and a lien on any Client Asset and Client Money to facilitate the clearing and settlement of transaction and for debts related to the provision of Services under these Terms. The Customer further agrees to grant a security interest to third parties over Client Assets in order to recover debts where the debts relate to (i) the Customer and (ii) the provision of service by that third party to the Customer.
- 6.2 SEI may divest itself of unclaimed Client Assets in accordance with the requirements as set out in FCA Rules. Under the FCA Rules SEI may either (i) liquidate an unclaimed Client Asset it holds, at market value, and pay away the proceeds or (ii) pay away an unclaimed Client Asset it holds, in either case, to a registered charity of its choice provided it has held that Client Asset for at least 12 years; in the 12 years preceding the divestment of that Client Asset it has not received instructions relating to any Client Asset from or on behalf of the Customer concerned; and it has taken reasonable steps to trace the Customer concerned.

## 7. Client money

- 7.1 Subject to the following paragraphs, the Custodian will hold Client Money in one or more of its client bank accounts with one or more deposit takers in accordance with the FCA Rules. The Custodian will pay credit interest to Customer on sterling balances in accordance with the rate of interest disclosed to Customer in the custody statement from the Custodian. The current interest rate formula used by the Custodian to calculate the rate of interest is also available on the Custodian's website: [www.seic.com/enUK/about.htm](http://www.seic.com/enUK/about.htm). The Custodian will not pay any credit interest on balances in any other currency. Customer acknowledges and agrees that where the rate of interest received by the Custodian is more than what is credited to Customer, the Custodian may retain such balance.
- 7.2 SEI does not allow Customer cash accounts to be overdrawn, where overdrawn accounts occur SEI may at its discretion charge an overdraft rate at the appropriate Central Bank official interest rate.
- 7.3 In the event of a charge being incurred by SEI for holding a cash balance (a negative interest rate) in its client bank accounts, SEI reserves the right to pass such charges to the Customer.

- 7.4 SEI may hold Client Money with a third-party deposit taker in an unbreakable time deposit account up to the maximum allowed by the FCA Rules. Each Customer's cash may be placed on a mix of terms – between instant access and unbreakable term deposit up to 90 days (or the maximum). The mix of terms will be balanced by SEI to deliver an appropriate combination of interest, diversification of risk and timely access to cash at the individual Customer level. In the event that SEI places too much money on a time deposit it may take longer to return some cash to Customers.
- 7.5 **In the event of an insolvency of a third-party deposit taker, any shortfall in Client Money will be pooled with other client money of the deposit taker and then distributed proportionately.** Any subsequent shortfall may be covered by the Financial Services Compensation Scheme for bank deposits up to a value of £85,000 (or such other value covered from time to time by the FSCS), depending on the individual circumstances for each Customer. (See FSCS contact information in clause 5.6).
- 7.6 SEI will hold qualifying money market funds the Customer or Telford Mann elects to purchase as safe custody assets and not as Client Money. As a result, the qualifying money market funds will not be held in accordance with the client money rules but instead in accordance with the custody rules as set out by the FCA.
- 7.7 SEI may allow another person such as an exchange, a clearing house or an intermediate broker, to hold or control Customer Money, but only where this is required for the purpose of a transaction for the Customer through or with that person or to meet an obligation of the Customer to provide collateral for a transaction. In the event of a shortfall following any default of such person, you may not receive your full entitlement and may share in that shortfall pro rata. The Intermediary will inform the Customer and provide further details if this is to occur.
- 7.8 SEI may arrange for a Customer Money to be held in a bank outside the United Kingdom. Where it does so, the rights of the Customer in relation to that money will differ from those applicable under the United Kingdom regulatory regime.
- 7.9 Where the Customer has instructed SEI to pay Intermediary charges to the Intermediary on the Customer's behalf, SEI may use Customer Money for this purpose.
- 7.10 To the extent that an amount is due from the Customer to SEI or a third-party provider



under clause 6 in connection with these Terms, SEI may use Client Money or Client Assets to pay that amount.

- 7.11 In the event that SEI determines that there is a legal and/or regulatory requirement for it to rebate to a Customer any commission received, then the rebate will become due and payable to the Customer at such time as is determined by SEI in accordance with its internal procedures.
- 7.12 Where SEI transfers any part of the custody services it provides to a Customer to another appropriately authorised institution chosen by SEI, the Customer authorises SEI to transfer any Client Money held for that Customer to that appropriately authorised institution provided the transferee agrees to hold the Client Money in accordance with the FCA Rules.
- 7.13 SEI may cease to treat any unclaimed balance allocated to an individual Customer as Client Money in accordance with the requirements as set out in the FCA Rules. SEI may pay away to a registered charity of its choice a Client Money balance which is allocated to a Customer and if it does so the released balance will cease to be Client Money provided SEI has held the balance concerned for at least six years following the last movement on the Customer's account (disregarding any payment or receipt of interest, charges or similar items); and SEI has taken reasonable steps to trace the Customer concerned to return the balance.

## **8. Contractual settlement**

- 8.1 SEI may make available a provisional credit of settlement, maturity or redemption cash proceeds, or income and dividends on a contractual settlement basis or predetermined income basis, as the case may be ("Contractual Settlement"), in markets and for Securities deemed appropriate for that practice by SEI and agreed with the Customer.
- 8.2 Where Contractual Settlement is extended on a sale, redemption or maturity event, the corresponding Securities shall be debited from the securities account and held by SEI or a sub-custodian pending settlement. Securities purchased will not be available for use until actual settlement.
- 8.3 SEI reserves the right to reverse any such credit at any time before actual receipt of the item associated with the credit when SEI determines in its reasonable judgement that actual receipt may not be received for that item. Where it is possible SEI will give

advance notice of the reversal (but it shall not be obliged to do so where SEI determines it needs to act sooner or where SEI's ability to recover may be compromised). Where there is any requirement of reversal of previously advanced cash SEI may charge the appropriate Client Money account for the expense of providing funds associated with the advance pursuant to clause 7.2 and 7.3 of these Terms.

- 8.4 Any provisional credits provided under these Terms shall be considered as cash advance for the purposes of clause 6 of these Terms to the extent they cannot be reversed in accordance the preceding clauses.

## **9. Conflicts of interest**

- 9.1 SEI has adopted a formal policy with a view to ensuring that in any situation in which its interests conflict with those of Customers and/or the Intermediary, all parties receive fair treatment. A summary of that policy is available upon request on page 27.

## **10. Custody fees**

- 10.1 The Customer will not have to pay any fees to SEI for the provision of the Services provided the Customer continues to use the Services via Telford Mann. SEI will receive fees and be reimbursed for expenses as agreed between SEI and the Intermediary.

## **11. Reporting**

- 11.1 SEI will provide each Customer with periodic statements of their Client Assets and Client Money held by SEI at least once per quarter in accordance with the FCA Rules.
- 11.2 To the extent that SEI provides values of, and pricing information in relation to Securities, SEI may use generally recognised pricing services including brokers, dealer, market makers and Telford Mann. SEI shall not be liable for, and makes no assurance or warranties in relation to, the accuracy or completeness of such value or information.

## **12. Limits on liability**

- 12.1 Neither SEI nor the Customer will be liable to the other under or in connection with these Terms for any:
- a) loss of profit;
  - b) loss of revenue, loss of production or loss of business (in each case whether direct, indirect or losses that are not directly associated);

- c) loss of goodwill, loss of reputation or loss of opportunity; or
  - d) loss of anticipated savings or loss of margin.
- 12.2 SEI and the Customer will only be liable for costs which are incurred as a direct consequence of the event which led to the other making a claim under these Terms.
- 12.3 SEI will not be liable to the Customer for any inaccurate, misleading or unfair information issued or produced by fund managers under these Terms.
- 12.4 Nothing in these Terms will exclude or limit a party's liability that:
  - a) SEI or the Customer may incur to the other in respect of death, personal injury, fraud, under the FCA Rules or any other kind of liability that by law cannot be excluded;
  - b) or in the case of any failure by SEI or an Affiliate to account for assets or cash to the person entitled to them under these Terms or otherwise to comply with its obligations under the FCA Rules, unless any such failure by SEI or an Affiliate is the result of the acts or omissions of Customer or Telford Mann.
- 12.5 Each of SEI and the Customer will take reasonable steps to mitigate any loss for which the other may be liable under these Terms.
- 12.6 Neither SEI nor the Customer will be liable under or in connection with these Terms for any breach of these Terms resulting from any reason or circumstances beyond the reasonable control of SEI or, as the case may be, the Customer.

### 13. Data Protection and Confidentiality

- 13.1 In order to provide the Services, the Custodian may store, use or process personal information about the Customer that is provided to it from the Customer and/or the Investment Service Provider in accordance with and subject to the Data Protection Legislation. The Custodian collects and uses the personal information because it has contractual, legal and regulatory obligations it has to discharge. Further information about the personal information the Custodian collects and uses is set out within the Custodian's privacy notice available on its website: [www.seic.com/enUK/about.htm](http://www.seic.com/enUK/about.htm).

- 13.2 Any information about the Customer that the Custodian has access to that is of a confidential nature shall be treated as such, provided that it is not already in the public domain. The confidential information will only be used as necessary for the provision of the Services. The Custodian may also disclose the information about the Customer to third parties (including its Affiliates) in the following circumstances:
  - a) if required by law or if requested by any regulatory authority;
  - b) to investigate or prevent any illegal activity;
  - c) in connection with the provision of the Services; or
  - d) at the Customer's request or consent.

- 13.3 By entering into these Terms, the Customer acknowledges and agrees that the Custodian is allowed to send personal information about the Customer internationally including to countries outside the European Economic Area (EEA) such as the United States of America. Where transfers outside the EEA are made, the Custodian will always take steps to ensure that information about each Customer is protected in a manner that is consistent with how personal information will be protected in the EEA. Any such transfers outside the EEA will be made in accordance with the Data Protection Legislation.

### 14. Disputes

- 14.1 If the Customer has any questions or comments in relation to the Services, these should be raised in the first instance with the Intermediary. If the Customer wishes to make a formal complaint about the Services this should be sent to the Intermediary marked for the attention of SEI or directly sent to SEI at the following address:

The Compliance Officer  
 SEI Investments (Europe) Limited  
 PO Box 73147  
 London  
 EC2P 2PZ

- 14.2 If SEI does not deal with the Customer's complaint about the Services to their satisfaction, the Customer may be able to refer the matter to the Financial Ombudsman Service at: The Financial Ombudsman Service Exchange Tower, London, E14 9SR  
 Telephone: 0800 023 4567 Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)  
 Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

- 14.3 Subject to the above, any dispute or difference arising out of or in connection with these Terms or the provision of the Services will be subject to the jurisdiction of the English courts.

## **15. Regulatory information**

- 15.1 SEI is authorised and regulated by the FCA and entered on the FCA's register with number 191713. The FCA's address is:

12 Endeavour Square  
London  
E20 1JN

- 15.2 SEI will treat each Customer as a Retail Client under the FCA Rules, giving them the greatest level of protection under the FCA Rules.

- 15.3 SEI's contact details are:

SEI Investments (Europe) Limited,  
PO Box 73147  
London  
EC2P 2PZ

## **16. Law and language**

- 16.1 These Terms are governed by and shall be construed in accordance with the laws of England.
- 16.2 All communications from SEI to the Customer under these Terms will be in English.

## **17. Variation**

- 17.1 SEI may change these Terms by giving the customer at least 60 days' written notice, unless shorter notice is required in order to comply with the FCA Rules. This would be for reasons such as:
- to take account of changes in legal, tax or regulatory requirements;
  - to fix any errors, inaccuracies or ambiguities we may discover in the future;
  - to make these Terms clearer; and/or
  - to provide for the introduction of new or improved systems, methods of operation, services or facilities.
- 17.2 If the Customer does not agree with any change that SEI proposes to make, the Customer should inform SEI by communicating their concerns with the Intermediary.

## **18. Termination**

- 18.1 SEI may terminate these Terms at any time by giving the Customer 60 days' written notice (subject to applicable law and regulatory requirements). There is no minimum duration of these Terms.
- 18.2 SEI may also terminate these Terms with immediate effect by written notice if it requires to do so for legal or regulatory reasons or on instructions from the Intermediary.
- 18.3 On termination, the Intermediary will instruct SEI where to transfer the Customer's Customer Assets and Customer Money. If the Intermediary does not do so promptly, or if the Intermediary no longer represents the Customer, then the Customer will on request give the relevant instruction. SEI will transfer Customer Assets and Customer Money in accordance with the relevant instruction or, if it is unable to obtain instructions, it will transfer them to the Customer. These Terms will continue to apply until such transfer of the Client Assets and Client Money is complete.
- 18.4 The Customer can withdraw the Customer Assets and Customer Money from SEI at any time.

## **19. List of defined expressions**

- 19.1 SEI's duties and responsibilities are those expressly set out in these Terms and are limited to those set out in these Terms unless agreed otherwise in writing.
- 19.2 The headings in these Terms are only for convenience and do not affect its meaning.
- 19.3 The singular shall include the plural and vice versa.
- 19.4 In these Terms, each of the expressions defined below has the meaning set opposite it.

<b>Expression</b>	<b>Definition</b>		
<b>"Affiliate"</b>	means any body corporate in the same group (as defined in the Financial Services & Markets Act 2000) as SEI.	<b>"FCA"</b>	means the Financial Conduct Authority of the United Kingdom and any successor to all or part of its functions.
<b>"Central Bank"</b>	a central bank, reserve bank, or monetary authority managing the relevant currency, money supply, and interest rates.	<b>"FCA Rules"</b>	means the Handbook of Rules and Guidance of the FCA as amended from time to time.
<b>"Contractual Settlement"</b>	as defined in clause 8.1	<b>"Securities"</b>	means securities, financial instruments and such other similar assets as SEI may from time to time accept into custody under these Terms and shall, where appropriate to the context, include certificates evidencing title to Securities.
<b>"Customer"</b>	means each individual or legal entity that enters into a Customer Account Application with the Intermediary and whose accounts are serviced by the Intermediary using the SEI Wealth Platform.	<b>"Securities System"</b>	means a generally recognised book-entry or other settlement system or clearing house or agency, acting as a securities depository, or transfer agent, the use of which is customary for securities settlement activities in the jurisdiction(s) in which SEI carries out its duties under these Terms and through which SEI may transfer, settle, clear, deposit, or maintain Securities whether in certificated or uncertificated form and shall include any services provided by any network service provider or carriers or settlement banks used by a Securities System.
<b>"Customer Account Application"</b>	means the forms used by the Intermediary to provide SEI information in relation to each Customer for the purposes of enabling SEI to open each Account.		
<b>"Customer Assets"</b>	means assets held by SEI on behalf of the Customer from time to time in accordance with these Terms.		
<b>"Customer Money"</b>	means cash in any currency held by SEI on behalf of the Customer from time to time in accordance with these Terms.		

Further information about SEI and frequently asked questions about its custody services are available on the SEI website: [www.seic.com/enUK/about.html](http://www.seic.com/enUK/about.html)

## Schedule 3 – Best Execution Disclosure Statement

### Purpose

The purpose of this Best Execution Disclosure Statement is to provide you with information about how we handle transactions for your Investment Advisory Service Account(s) in accordance with our Order Execution Policy (“the Policy”).

### Our obligation

The FCA Rules require us to take all reasonable steps to achieve the best possible result, taking into account the relevant factors detailed below, when executing orders or passing orders to other persons for execution. This is referred to as “best execution”. We will

do this by following the Policy and supporting procedures which are designed to obtain best execution.

### Client specific instructions

Where you give us specific instructions in respect of a transaction for your Telford Mann Account and we agree to follow them this may prevent us from taking all the steps we have designed and implemented in our Policy to obtain best execution and therefore you may not get a result which is as good as the result that you may have obtained had we been able to follow all the steps contained in our Policy.

### How we execute your transactions

We execute transactions in one of two ways:

1. by passing them to a broker or dealer who will execute them; or
2. by us directly assessing execution venues and executing transactions on them. Execution venues are markets where financial instruments are bought and sold. These execution venues include regulated markets (i.e. a multilateral system operated or managed by someone it calls a “market operator”, to bring together various third parties who want to buy and sell certain types of investment in line with fixed rules that the market operator establishes) and

Multilateral Trading Facilities (“MTF”) (i.e. alternative trading venues that also bring together parties who want to buy or sell certain types of investment, but offer an alternative to formal exchanges with less restrictions as to what investments can be traded on them). The execution venue we use most regularly is the London Stock Exchange. Please note that execution may occur on other venues from time to time provided those venues are consistent with our Policy.

We are required by the FCA Rules to inform you that our Policy provides for the possibility that your orders may be executed on a venue that is not an EU-regulated market or MTF. This will usually occur where we are dealing in units in Collective Investment Schemes. We are required to obtain your specific consent to this.

### Best execution factors

The FCA Rules require us to take into account a range of factors in deciding how to execute your transaction. These include price, costs, speed, likelihood of execution and settlement, the size and nature of the order and any other considerations relevant to the execution of the order. We will generally give the highest priority to price and cost (together referred to in the FCA Rules as the total consideration).

If we have categorised you as a Retail Client, we will give precedence to speed, likelihood of execution and settlement, the size and nature of the order, market impact and any other implicit transaction costs over the immediate price and cost consideration only insofar as they are instrumental in delivering the best possible result in terms of the total consideration to you.

### Monitoring and review of the Policy and order execution arrangements.

The FCA Rules require us to monitor the effectiveness of our Policy and our order execution arrangements generally. We will assess on a regular basis whether the execution venues included in the Policy, and the brokers and dealers to whom we transmit orders, allow us to achieve best execution on a consistent basis. Where this process identifies any deficiencies we will make appropriate changes to our arrangements.

We will also notify you of any material changes to the Policy or our order execution arrangements.



## Consent to the policy

You give us your consent to our Policy by opening your Investment Advisory Account(s) with us. This includes consent to the possibility that transactions may be executed outside EU-regulated markets and regulated MTFs as explained above.

## Further information

If you would like further information on any aspect of our Policy please contact Telford Mann.

## Schedule 4 – Summary of conflicts of Interest policy

Telford Mann maintains a framework of policies and procedures to govern the prevention, identification and management of conflicts of interest which may exist between:

- Telford Mann, its employees, its Associates and agents (including its Associates' and agents' own employees and clients) and any of its clients; and
- one of its clients and another of its clients.

This framework consists of an overall Conflicts of Interest Policy and the procedures put in place to implement it. This Conflicts of Interest Policy explains how Telford Mann will:

- identify circumstances which, in the course of providing our services, give or may give rise to conflicts of interest entailing a material risk of damage to clients' interests; and
- maintain systems designed to prevent the circumstances identified above from constituting or giving rise to a material risk of damage to clients' interests.

This policy is underpinned by various detailed policies to address specific areas of potential conflict arising out of Telford Mann's structure and various lines of business. All the employees of Telford Mann are required to adhere to these policies and any associated procedures.

Telford Mann's overriding principle is that employees must always place clients' interests before their own and those of Telford Mann and Telford Mann's directors and employees. They must disregard any other relationship, arrangement, material interest or conflict of interest which may materially influence, or appear to materially influence, any service provided to a client including the giving of advice or recommendations.

At least on an annual basis the Board of Telford Mann will review the Conflicts of Interest Register that is maintained as part of the overall Conflicts of Interest Policy.

The principal policies and procedures in place to address conflicts of interest and their purpose, are as described as follows:

## Segregation

Having identified circumstances and activities which can involve a conflict of interest, Telford Mann has taken practical measures to ensure that the department and employees carrying on those activities can operate independently from each other.

These measures include:

- both physical separation and IT measures to prevent or control the exchange of information between people and teams conducting activities involving a risk of a conflict of interest;
- the separate supervision of persons whose principal functions involve carrying out activities on behalf of, or providing services to, clients whose interests may conflict, or who otherwise represent different interests that may conflict, including those of Telford Mann; and
- the creation of clear reporting lines which ensure that there is no reporting link between business activities which can involve a conflict of interest and prevent any person involved in one business activity from exercising inappropriate influence over the way in which another person involved in another business activity carries it out.

## Integrity and Standards of Conduct

Telford Mann insists that, in its dealings with clients, its employees must use the highest standards of integrity in their actions at all times.

The induction programme, Training & Competency procedures and monitoring programme at Telford Mann are designed to ensure that all relevant staff are familiar with and observe, inter alia, the FCA Principles for Businesses and the Statements of Principle and Code of Practice for Approved Persons.

For example, where two clients give similar orders and one client agrees to pay more commission, priority or better execution terms must not be granted to that client's order when it conflicts with obligations owed to the other client. A hospitality and gift approval process is in place.

## Customer orders

To ensure fair treatment for clients, the Telford Mann's Execution Policy and Dealing Procedures require Telford Mann to take all reasonable steps to achieve the best overall trading result for clients, to exercise consistent standards and to operate the same processes for all clients across all markets and financial instruments.

No undue preference should be given to any client when trades are aggregated.

Re-allocation of a trade to any individual client may only be made to correct an error or to adjust an uneconomic initial allocation e.g. on a partial fill of an order.

There may be occasions where client orders have a material effect on the price of an investment.

In order to ensure that an employee does not take advantage of the situation by dealing on their own account or encouraging a third party to deal ahead of such orders being executed, Telford Mann has a strict "no front running" policy.

In order to ensure a fair and orderly dealing environment within the market, Telford Mann further ensures that its employees comply with the Code of Market Conduct reflecting the provisions of the Market Abuse Directive, as well as the relevant FCA Rules, which aim to prevent insider trading, the misuse of information and market manipulation.





## Client Authorisation

	Client	Client
I/We acknowledge receipt of the Telford Mann IMS (Advisory) Terms & Conditions inc. Privacy Notice	<input type="checkbox"/>	<input type="checkbox"/>
I/We acknowledge receipt of the Telford Mann IMS ISA/JISA/General Investment Account Key Features Document	<input type="checkbox"/>	<input type="checkbox"/>
I/We acknowledge receipt of the Key Investor Information Document (KIID) for the recommended portfolio	<input type="checkbox"/>	<input type="checkbox"/>

## Confirmation of Services Chosen

Our services are available as three distinct offerings, which can be used individually or in combination.

For example, you may wish to hold your existing or new investments on the Telford Mann Investment Management Service (IMS) without any requirement for ongoing advice or ongoing Discretionary Fund Management, in which case you could select Platform Management only.

Alternatively, you may wish us to provide you with ongoing advice and/or for us to manage your investment using our Discretionary Fund Management service, in which case you could select ongoing advisory and Discretionary Fund Management.

Our Financial Planners are available to help you decide which of these services are most suitable for your requirements and we are happy to provide you with more detail or advice to suit your needs.

## Client Instructions

If you are ready to proceed, please indicate below which of our services, you wish to accept:

	Client	Client
Ongoing Advisory	<input type="checkbox"/>	<input type="checkbox"/>
Platform Management	<input type="checkbox"/>	<input type="checkbox"/>
Model Portfolio Service	<input type="checkbox"/>	<input type="checkbox"/>

Client Name: .....

Client Name: .....

Client Signature: .....

Client Signature: .....

Date of Issue: .....

Date of Issue: .....



## How to contact us

If you have any questions about your Telford Mann ISA/JISA or General Investment Account, you can phone us, or write to us.



Call us on **01536 462700**

**We're open Monday to Friday 9am to 5.00pm.**

Calls may be monitored and/or recorded to protect both you and us and help with our training. Call charges will vary.



**Telford Mann Ltd**

Ironstone Place  
Kettering  
NN14 1FN



**enquiry@telfordmann.co.uk**

There is no guarantee that any email sent will be received or will not have been tampered with or intercepted during transmission.

You may prefer to contact us by telephone or in writing.

## About Telford Mann

Telford Mann is the ISA manager and is authorised and regulated by the Financial Conduct Authority.