

Supplementary Terms and Conditions for the Wealth and Investment Platform

Effective from 25 November 2024
Please read and keep for future reference

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1. Introduction

- 1.1 Santander International is the registered business name of Santander Financial Services plc ('SFS'), acting through its Jersey Branch ('SFS, Jersey Branch') or acting through its Isle of Man Branch ('SFS, Isle of Man Branch').
- 1.2 These Supplementary Terms and Conditions set out the rights and obligations of You and, SFS, Jersey Branch and SFS, Isle of Man Branch in connection with the operation of the Platform. These Supplementary Terms and Conditions and the signed and completed application form, together with the General Terms and Conditions and any additional conditions that apply to any products and/or services that You have with Us constitute the entire contract between You and Us.
- 1.3 These Supplementary Terms and Conditions incorporate the PCI Terms of Business, which can be found at Schedule 1. By accepting these Supplementary Terms and Conditions You will be a customer of both SFS and PCI, for the purposes of PCI providing custody and settlement services or providing other services to You, as set out in these Supplementary Terms and Conditions. Further information on Your relationship with PCI can be found at condition 3 and in Schedule 1.
- 1.4 These Supplementary Terms and Conditions should be read carefully before signing the application form. These Supplementary Terms and Conditions may be varied by Us, please see condition 20.1.
- 1.5 SFS, Jersey Branch and SFS, Isle of Man Branch shall be referred to together in these Supplementary Terms and Conditions as 'We' or 'Us' or 'Our' or 'the Bank'. Santander Financial Services plc's ultimate parent undertaking and controlling organisation is Banco Santander, S.A., a company incorporated in Spain.
- 1.6 SFS, Jersey Branch is licensed and regulated by the JFSC to conduct deposit-taking and carry out investment business.
- 1.7 SFS, Isle of Man Branch is licensed and regulated by the IOMFSA to conduct deposit-taking and carry out investment business.

2. Definitions and Interpretation

- 2.1 Words and expressions as defined in the General Terms and Conditions have the same meaning as these Supplementary Terms and Conditions unless otherwise stated in these Supplementary Terms and Conditions. We also use the following defined terms throughout these Supplementary Terms and Conditions:

Bank Account means Your SFS account held with SFS, Jersey Branch or SFS, Isle of Man Branch;

Client Assets Order means the Financial Services (Investment Business (Client Assets)) (Jersey) Order 2001, as amended;

FS Law means the Financial Services (Jersey) Law 1998 and Isle of Man Financial Services Act 2008, as amended;

General Terms and Conditions Our general terms and conditions in place from time to time, available on Our website;

IB Code means the Code of Practice for Investment Business, issued by the JFSC and amended or updated from time to time;

Instrument means the permitted instruments set out at Schedule 2 of these Supplementary Terms and Conditions;

Investment Account means Your account with PCI for the purposes of trading and settling of Instruments and holding in custody Your financial assets in connection with the Platform, including any commission account, deposit account, margin account or collateral account;

IOMFSA means the Isle of Man Financial Services Authority;

JFSC means the Jersey Financial Services Commission;

Key Features Document means a key features document issued by Us to You and included in the Welcome Pack;

Order means an order or instruction which You give to Us in connection with a Transaction;

PCI Pershing (Channel Islands) Limited, a company incorporated in Jersey under registration number 107773 and regulated by the JFSC;

PCI Agreement the agreement which We have entered into with PCI as Your agent, setting out the terms on which PCI will provide custody, settlement and other associated services to Our customers;

PCI Terms of Business PCI's terms of business appearing at Schedule 1;

Platform means PCI's proprietary wealth and investment platform for recording transactions and holding and trading certain securities in regulated and authorised collective investment schemes, the use of which is governed by these Supplementary Terms and Conditions;

Rule Book means the Financial Services Rule Book 2016 made by the IOMFSA, as amended from time to time;

Welcome Pack means the documents that will be provided to You when Your application to use the Platform has been accepted, including but not limited to these Supplementary Terms and Conditions and the Key Features Document.

- 2.2 Where these Supplementary Terms and Conditions conflict with any term of the PCI Agreement or the PCI Terms of Business, the terms of these Supplementary Terms and Conditions shall prevail.

3. Your relationship with PCI

- 3.1 We have entered into an agreement with PCI (the PCI Agreement) in Our capacity as Your agent. The contractual arrangement We have entered into with PCI does not affect Our relationship with You as a customer of the Bank. When You open an Investment Account You are deemed to become a party to the PCI Agreement and will be bound by its terms. A copy of the PCI Agreement is available on request.
- 3.2 We have carefully selected PCI to assist Us in providing execution, custody and settlement services to You in connection with the Platform. PCI is regulated by the JFSC for the conduct of investment business. We will regularly review Our relationship with PCI in order to ensure You are receiving a standard of service that We would expect.
- 3.3 For customers of Our SFS, Isle of Man Branch, please note that PCI is not regulated under the Financial Services Act 2008. The respective obligations and responsibilities of PCI and the Bank to You are set out in these Supplementary Terms and Conditions.

4. Use of the Platform

- 4.1 Subject to condition 7 below, access to the Platform is provided to You because You are an existing customer of SFS, Jersey Branch or SFS, Isle of Man Branch and meet the requisite criteria in condition 7.1.
- 4.2 We will provide You with access to the Platform along with instructions on how to use it.
- 4.3 We reserve the right to suspend or remove Your access to the Platform at any time with or without notice to You if We reasonably believe that You are in breach of these Supplementary Terms and Conditions, the PCI Agreement or the PCI Terms of Business; We believe that You may be the victim of fraud; We receive, are notified of or become aware of any insolvency or bankruptcy proceedings against You, or that You are unable to pay Your debts as they fall due; We are enforcing any security interest granted by You over the Investment Account or Your contract rights pursuant to these Supplementary Terms and Conditions; or if We reasonably believe that it is necessary or advisable to do so in order for Us to comply with applicable law. We shall not be liable for any losses You may suffer as a result.
- 4.4 You are responsible for ensuring that any IT equipment and Your internet connection that You use to access the Platform will be sufficient to ensure full functionality of the Platform.
- 4.5 The right to use the Platform is restricted to Your own use only, and You should not allow any other persons access to it or share Your login details. If You wish to allow a third party to operate the Platform on Your behalf, You must provide Us with suitable evidence of the authorisation of that third party.
- 4.6 The Platform can be accessed by You using Your login details provided to You in Your Welcome Pack. You must not share Your login details with anyone else and You must notify Us immediately on becoming aware of unauthorised access to the Investment Account, or if You suspect that Your password security has been compromised.
- 4.7 You agree that We may communicate with You electronically, including the provision of portfolio documentation, via the Platform.
- 4.8 We may share Your personal information with PCI and its affiliates in accordance with the terms of the PCI Agreement in order for PCI to provide custody, settlement and other associated services to You. Clause 13 of the PCI Terms of Business sets out how PCI may use Your personal data.
- 4.9 When You remit funds to the Investment Account, You are aware that Your funds are leaving the Bank Account and these will be remitted to the Investment Account maintained with PCI, to be held by PCI in compliance with Section 7 (Client Money) of Schedule 1. This means that Your funds are no longer held by SFS or protected by a relevant depositor compensation scheme once they leave the Bank Account. You can instruct any balance of funds held by PCI to be returned to Your Bank Account by giving Us an instruction in accordance with condition 11.
- 4.10 Unless You instruct us otherwise, We will setup the Investment Account on the basis that:
- Capital and income accounts will be established in Sterling, US dollars and Euro;
 - Investment income (such as coupons and dividends) will remain in the currency of origin;
 - all investment income will be paid to and kept in Your Investment Account in cash only;
 - Proxy voting will not be available.

5. Execution Only Investment Service

- 5.1 It is important that You understand that SFS offers an execution only service that allows You to make Your own investment decisions with no advice from Us. This means that We will not advise you about the merits or suitability of a particular Instrument or Transaction and We will not be required to ensure that the Instrument or Transaction is suitable for You. As detailed in the application form, **You acknowledge and agree that SFS shall provide You with an execution only service and that all investment decisions are made by You in reliance with Your own judgement only and at Your own risk.**
- 5.2 You will be treated as an execution only client for the purposes of all transactions undertaken and You are aware of the reduction of investor protection when being responsible for Your own investment decisions.
- 5.3 You, or a third party appointed by You, will be responsible for providing Orders to Us and ensuring that the Investment Account has sufficient funds to execute any Transaction. You acknowledge that unless the correct reference code is cited by You when transferring funds from Your Bank Account to Your Investment Account, this could cause a delay in the execution of a Transaction. Your Welcome Pack contains details as to how to access the Platform and place an order to invest or enter into a Transaction.

- 5.4 Please note that when You transfer funds to the Investment Account for the purposes of executing a Transaction, these will be held in a segregated client money account by PCI's carefully selected client money bank in accordance with the Client Assets Order and in accordance with the PCI Terms of Business appearing at Schedule 1 to these Supplementary Terms and Conditions.
- 5.5 You may only remit funds to Your Investment Account from a Bank Account You hold with Us. You may only withdraw funds from the Investment Account to a Bank Account You hold with Us.
- 5.6 It is Your responsibility to check each valuation and all contract notes and advise Us immediately if You believe anything is incorrect.
- 5.7 At Your request, We can provide You with an annual consolidated tax voucher containing a summary of income and interest in respect of Your Investment Account.

6. Custody

PCI will hold upon trust for You and safekeep all monies and Instruments to act as Your custodian or at the direction of You, in accordance with the Client Assets Order, all other applicable law, the PCI Agreement and the PCI Terms of Business. For more information on how PCI will hold all monies and Instruments as your agent, please refer to clause 8 (Custody and Administration of Your Investments) of the PCI Terms of Business appearing in Schedule 1.

7. Categorisation of Customers

- 7.1 The Platform is not intended for use by retail clients and accordingly We will not treat You as a retail client. This means that You will not be afforded the same level of protection as would be given to retail clients.
- 7.2 For the purposes of these Supplementary Terms and Conditions, You confirm that You will be responsible for managing Your own money and making Your own investment decisions.
- 7.3 It is important for You to promptly make Us aware of any circumstance or change in circumstances which may cause You to:
- (a) no longer be capable of understanding the risks involved in making Your own investment decisions;
 - (b) consider Yourself as a retail client as defined by the IB Code and the IOMFSA's Rule Book; or
 - (c) require a higher level of protection in respect of Your investment decisions.
- 7.4 We are obliged to identify and afford appropriate protection to all of Our customers and as such, We may intermittently request information from You to allow Us to regularly re-assess Your circumstances. We may, at Our sole discretion, refuse to enable access to the Platform or service for You, where We consider this to be in Your best interests.

8. Best Execution and Aggregation

- 8.1 Your Welcome Pack contains details as to how to access the Platform. Subject always to You taking appropriate steps to correctly place such Order in accordance with the instructions provided, We will take all sufficient steps to obtain, when executing Orders, the best possible result, taking into account price, costs, speed, likelihood of execution and settlement, size, nature, or any other considerations relevant to the execution of the Order. Our weighting of these factors will change on a per trade basis, and on a per asset class basis. For example, Our approach to bond trading will be slightly different to that of equities trading.
- 8.2 In order to meet Our execution obligations, We will only use regulated brokers or dealers based in the United Kingdom. You accept that We can rely on such parties for obtaining best execution. We may combine (or 'aggregate') an order from You with orders of Our other customers. Orders will only be aggregated if We believe that the aggregation is in the overall best interests of all the customers concerned. However, the effect of aggregation may on some occasions work to Your advantage or disadvantage (for instance, in terms of price) and may on occasions result in You obtaining a better or worse price than if the Order was executed separately.
- 8.3 Similarly, Instruments or other assets held by PCI as custodian, or a nominee company controlled by PCI, for You may be pooled with Instruments or other assets held for Our other customers. Accordingly, individual entitlements may not be separately identifiable. In the event of a shortfall, whether following a default by any custodian or nominee company controlled by PCI or following any loss of securities held by any custodian or nominee company, You may not receive Your full entitlement and may share in any shortfall on a pro rata basis or as allocated according to any other applicable rule.

9. Transacting in Securities

- 9.1 Where You instruct Us to deal in a unit fund/collective investment or mutual fund You confirm that You have reviewed, accepted and complied with the terms of any prospectus (or other applicable scheme document) including but not limited to (a) the fees and expenses (b) any of the eligibility requirements (c) any restrictions on frequent trading and redemption fee provisions (d) any other terms and conditions of ownership of shares/units in the fund. You agree with all provisions of any document that is used to subscribe to the fund and You will comply with the terms and conditions of all documents required by the relevant fund and that You will remain compliant with the requirements of the fund.
- 9.2 If We are required under the applicable regulation or dealing terms to provide a Key Information Document ('KID') in connection with an Order, You agree that We may provide the KID after the execution of such Order, to the extent permitted by the applicable regulation.
- 9.3 You acknowledge and agree that You shall be solely responsible for all losses, liabilities, costs, whatsoever (including legal costs) which may be incurred or suffered by You as a result of holding such securities. As a result, You release Us from any liability in this regard. The term 'securities' may include any financial or derivative instruments or agreements, or any securities of other legal entities which may not have been objectively rated or which may not be subject to reliable published audit (including but not limited to value impaired, illiquid securities, special investments (such as hedge funds and/or private equity funds), as well as exchange-traded products with underlying digital assets). You warrant that You are fully aware that such Transactions may be highly speculative and/or subject to liquidity and restrictions risks and understand therefore that there is an inherent risk and that significant losses may be incurred rather than profits made, as a result of entering into Transactions.
- 9.4 You understand that any reference valuation provided by Us or contained in Your statement of securities may not represent the actual or indicative terms at which the security could be transferred, sold, liquidated, assigned, or unwound. You agree that this is a risk that You are prepared to accept. All Transactions shall be subject to the rules, regulations, customs and usages of the relevant exchange, market or clearing houses, where the Transactions are executed by Us or Our agents.
- 9.5 You agree that You shall be solely responsible for settling all liabilities resulting from or in connection with all Transactions and the custody of securities. You shall immediately on demand provide sufficient funds to Your Investment Account to discharge any liability incurred or to be incurred in connection with any Transactions effected or to be effected on Your behalf. If any indebtedness and/or liabilities shall not be paid or satisfied when due by You, We may:
- cancel, close out, terminate or reverse all or any open positions and sell, or dispose of any investment at whatever price and in whatever manner at Our sole and absolute discretion, as We deem fit or appropriate (without being responsible for any loss or diminution of price which may be incurred or suffered by You);
 - enter into another Transaction or do anything which would or could have the effect of reducing or eliminating liability under any positions or commitments undertaken for You;
 - apply any proceeds of such sale or other disposal, firstly, towards the costs incurred in such closure, sale or disposal and, secondly, against the indebtedness and/or liabilities concerned;
 - Debit your Bank Account.
- 9.6 These rights are without prejudice to any other right(s), such as rights of lien and/or set-off, that We may have. We are entitled, at Our sole and absolute discretion (without any liability whatsoever towards the You) to refuse to act for You or to give effect to any instruction at any time and shall not be obliged to give reasons for that refusal.

10. Portfolio Management

- 10.1 You will be able to access the Platform at any time and view Your portfolio dashboard. This provides You with:
- an overview of Your individual and consolidated portfolios of Instruments;
 - access to Your portfolio valuation and breakdown; to pdf/Excel;
 - the ability to obtain details of income and other payments received from or on Your behalf; and
 - access to contract notes for each Transaction undertaken.

11. Order Management

As Your agent, We will accept Orders in the following ways:

- Orally by telephone to a member of Our investment dealing staff; or
- By electronic communication, including emails (to a Santander International email address).

Provided that:

- You give Us clear instructions which are received by Us within a reasonable time to enable Us to receive and act upon them prior to any applicable deadline; and
- You have received our acknowledgement that We have received such instructions. We shall acknowledge an instruction by either expressly confirming receipt or by acting upon it. An automated delivery receipt does not constitute acknowledgement or receipt by Us.

11.2 Where You have authorised another party to provide instructions, We will accept such instructions by applying these same terms.

11.3 We shall have no Liability for any instructions until they are communicated and received by a member of our staff that is authorised to place Orders. We will not be liable for any delays, failures or errors as a result of communications or instructions sent by electronic means.

- 11.4 If We have any significant difficulty in carrying out Your instructions promptly, We will inform you as soon as reasonably practicable upon becoming aware of such difficulty, provided that We are able to do so under applicable law or regulation. Although instructions may be processed outside normal office hours (9:00am to 5:00pm), instructions will only be managed by Us during normal office hours and on business days.
- 11.5 We may act on any instructions that We reasonably believe to have been sent by You. We will not be liable to You for any loss suffered where We have carried out an instruction in good faith only to discover that such instruction was in fact given without the appropriate authority or because of a fraudulent or erroneous electronic communication.
- 11.6 We may at Our discretion and without giving any reason, accept or reject any instruction to carry out any Transaction, but We shall notify You as soon as reasonably practicable if any instruction is rejected. Such circumstances may include but shall not be limited to circumstances where Your Investment Account has become a dormant account, there is insufficient cash in Your Investment Account to cover the Transaction, where there are due diligence deficiencies, where Your credit references are unsatisfactory or where there may be legal or regulatory reasons preventing Us from accepting Your instructions.
- 11.7 Where We accept dealing instructions, We will use all reasonable endeavours to complete them, but accept no responsibility for non-completion. You agree to accept partial completion of Orders unless it is expressly agreed otherwise. We accept no liability for the non-completion of or delay in completing any instructions given by You or accepted by Us where this is caused by systems failure, market closure, a failure to perform by a third party, depository, clearing or settlement agent or system or any participant in one of them or other exceptional circumstances.
- 11.8 If You wish to cancel an Order which has not yet been carried out We will, without liability, seek to cancel it with the market or with the agents to whom We have passed it, but We can give no assurance that We can effect such cancellation. In placing any Order with Us You accept full liability for its completion unless We confirm to You the cancellation of the Order, and You accept liability for any losses and costs arising from such cancellation and agree to indemnify Us for any costs, expenses, penalties or fines incurred as a result of such cancellation.
- 11.9 You warrant that all Instruments that You instruct Us to sell are free from any charges, liens, mortgages or other encumbrances.
- 11.10 Although We act as Your agent, We will only place Orders to purchase Instruments and facilitate such on Your behalf if You have sufficient cleared funds in the Investment Account to carry out the Transaction. Conversely, We will only place Orders to sell Instruments and facilitate such on Your behalf if You have the relevant Instrument in sufficient quantity in the Investment Account.

12. Communications

- 12.1 You accept and acknowledge that electronic communications are at risk of interruption and/or delay or failure to send and that electronic communication should not be regarded as a secure method of delivery.
- 12.2 We will not accept instructions on Your behalf from a third party unless You instruct Us in writing, bearing Your signature, to do so, or We are in receipt of a valid power of attorney or mandate.
- 12.3 Telephone conversations between You and Us or any other third party provided it relates to the Services provided to You by Us may be recorded.

13. Liens and Security Interests

- 13.1 We will have a right to use cash or the proceeds of sale of Your Instruments held on the Platform to reduce or repay any amounts You owe to Us, whether or not those accounts are in the same currency.
- 13.2 We will be entitled to an express security interest, lien, power of sale and right of set off over assets held in Your Investment Account, in respect of properly incurred fees, charges and liabilities arising from the provision of the Services.
- 13.3 We may exercise such rights in such manner as We think fit, including by consolidating accounts belonging to You. Without prejudice to the generality of the foregoing, We shall have the right either to retain and/ or make deductions from Your Investment Account(s) or to sell some or all of the Instruments held and apply the proceeds thereof in or towards satisfaction of any liability to Us or any of our associated group companies (whether absolute or contingent, or due or to become due) if:
- (i) You default on any payment or settlement obligation;
 - (ii) An event of default occurs pursuant to a security interest agreement entered into between You (as grantor) and Us (as secured party), over the Investment Account; or
 - (iii) The relationship between You and Us has been terminated and funds are not forthcoming to enable Us to settle Transactions initiated on Your behalf and which have not been completed at the time of such termination.
- 13.4 If We are required to exercise Our rights under this condition 13, We will seek to provide You with notice but We may do so immediately and without notice where We consider it necessary or appropriate.
- 13.5 You are responsible for meeting the costs associated with exercising any of the rights or powers reserved by Us under this condition 13 (which may include the costs of realising assets and legal costs associated with enforcing the security).
- 13.6 The proceeds of any sale will be applied towards the discharge of any liabilities owed to Us (including the costs associated with such sale) and You will remain liable for any outstanding amounts owed.
- 13.7 Where any of the rights in this condition 13 are exercised, We will not be liable for the decisions as to which Instruments or assets are realised in order to meet liabilities, nor are We responsible for any legal, tax or other consequences to You.

14. Conflicts of Interest

- 14.1 The Bank, Our associated group companies ('**associates**') or nominees may provide services or enter Transactions under these Supplementary Terms and Conditions in circumstances in which We or Our associates have a material interest. This interest could be direct or indirect and We, or Our associates, could also have a relationship with someone else, which may involve a conflict of interest or potential conflict of interest with You. Examples where such actual or potential conflicts may happen include situations where the Bank or any of Our associates:
- (a) is, or is acting on behalf of, the counterparty to a Transaction that is executed by PCI on behalf of the Bank (whether or not involving a fee or commission or increased or reduced price offered or received by the Bank or its associates);
 - (b) has a long or short position in the relevant Instrument; or
 - (c) is otherwise connected to the issuer of the Instrument to which any instructions relate.
- 14.2 We will not advise You to use the services of another person who is an associate of the Bank without disclosing that relationship.

15. Fees and Charges

- 15.1 All associated fees and charges that may be incurred in connection with Your use of the Platform can be found in Our Fees & Charges Schedule provided to You with Your Welcome Pack. Inclusive in Our fees and charges are PCI's costs.
- 15.2 You may request details of the amount of remuneration We receive as a result of Our relationship with You or Transactions We carry out for You. We will provide information on all relevant facts relating to Our remuneration that are attributable to the services provided to You, including the remuneration of any intermediary that is payable by You and whether any of the remuneration is receivable by Us.

16. Risk Acknowledgement

- 16.1 You acknowledge and understand that trading in investments is highly speculative and may involve an extreme degree of risk.
- 16.2 You further acknowledge and agree that:
- (a) when You enter into any Transaction, any profit or loss arising as a result of a change in the value of the asset or the underlying asset will be entirely at Your own risk;
 - (b) You are willing and able, financially and otherwise, to assume the risk of trading in speculative investments;
 - (c) We will not be held responsible for Transactions developing differently from what You might have expected or to Your disadvantage;
 - (d) guarantees of profit or immunity from loss are impossible in investment trading;
 - (e) it is Your responsibility (and not Ours) to determine the appropriateness, adequacy and effectiveness of the rules, requirements and procedures of any market, multilateral trading facility or other trading venue and whether to execute or cause the execution of Transactions on any such market, multilateral trading facility or other trading venue; and
 - (f) any investments include risks, and You have received no assurance otherwise and no guarantees of profit or similar representations of whatever nature from Us, any other member of the Santander group of companies, or Our representatives.
- 16.3 You confirm that deposits or stock transfers received by PCI, its bankers or custodians will not be received from a third party. All funding sent to the Investment Account must originate from Your Bank Account. When stock transfers take place, the transfer must originate from an account at a financial institution which is titled in Your name.
- 16.4 You will remain responsible for performing all and any reporting obligations which apply to You, including tax in respect of the Investment Account.
- 16.5 You agree not to engage in any activity, practice or conduct which would constitute either a UK tax evasion facilitation offence under section 45(1) of the UK Criminal Finances Act 2017 or a foreign tax evasion facilitation offence under section 46(1) of the UK Criminal Finances Act 2017 or similar law in an overseas jurisdiction. You will promptly report to Us any request or demand from a third party to facilitate the evasion of tax within the meaning of Part 3 of the UK Criminal Finances Act 2017, in connection to the Investment Account.
- 16.6 You agree that You will not, by deliberate or negligent act or omission, commit market abuse. Market abuse includes distorting, misleading or taking unfair advantage of the market including by insider dealing. Market abuse can comprises both civil and criminal offences against both You and Us.

17. Customer Warranties and Undertakings

- 17.1 In applying for the use of the Platform, You represent and warrant that You are not a person who is a citizen or resident of the United States as understood by the code, laws or rules of the Internal Revenue Service of the United States from time to time in force ('**US Person**'). You will advise Us forthwith if You become or may become a US Person.
- 17.2 You represent and warrant that all information supplied to SFS in respect of the using the Platform, opening an Investment Account and/or carrying out any Transaction is true, complete and accurate in all material respects. You will advise Us forthwith of any material change to the information previously provided to Us.

17.3 You will provide Us with all such information, co-operation, assistance, data and documentation as We or PCI shall reasonably request in order to permit Us and PCI to provide the services under these Supplementary Terms and Conditions in an efficient manner and to comply with Our obligations under applicable legal or regulatory requirements (including the requirements of any tax authority with competent jurisdiction).

18. Liability of SFS

18.1 Our obligation towards You consists of, and is limited to, due performance of Our services and contractual duties, and, where applicable, the due selection, instruction, and supervision of third-party service providers, in accordance with the standard of duty of care of a reasonable business person, unless specified otherwise in these Supplementary Terms and Conditions.

18.2 We shall take reasonable care in performing Our duties and obligations to You under these Supplementary Terms and Conditions. As long as We do this, We do not accept any liability for loss (or the loss of an opportunity to gain) which arises from the provision of services to You. We will not be liable to You for errors of judgement or for any other action We have or haven't taken, in good faith, in connection with Your use of the Platform, unless the circumstances in condition 18.3 apply. We do not provide any assurance to the performance of any Instruments or Transactions.

18.3 We shall not be liable to You for any liability incurred by You save where such liability is incurred directly as a result of the gross negligence, fraud or wilful default of Us or of a person connected with Us, in which case Our liability will be limited to the replacement of Instruments or cash (including interest) lost as a direct result of Our action or omission. For the avoidance of any doubt PCI, PSL and any affiliate are not connected to Us.

18.4 Notwithstanding the foregoing paragraph, We shall not be liable to You for:

- (a) any liability which was not reasonably foreseeable by Us;
- (b) any loss incurred by You having insufficient funds to settle a transaction;
- (c) any taxation charges which You may incur;
- (d) any loss of profit or loss of opportunity, or
- (e) any fall in the value of the Investment Account.

In each case, other than (e) even if the same arises as a result of Our breach of these Supplementary Terms and Conditions.

18.5 You agree to indemnify and hold harmless SFS (and each of Our officers, employees, agents and affiliates and each of them and the respective heirs, successors, assigns, personal representatives and estates) from any and all losses, claims, actions, damages or liabilities (including

without limitation all reasonable legal fees and costs and other costs, charges and expenses paid or incurred in disputing, investigating, defending or settling the same and/or other costs incurred by Us with respect to all Transactions), joint or several (collectively, the 'Losses') which any of them may incur or which may be made against any of them insofar as such Losses arise from or are related to Transactions or otherwise in respect of the provision of the services under these Supplementary Terms and Conditions, provided however that such indemnification shall not apply to the extent that such Losses result from Our gross negligence, fraud or wilful misconduct.

If We cannot perform any of Our obligations under these Supplementary Terms and Conditions due to circumstances beyond Our reasonable control (including but not limited to natural disaster, fire, storm, flood, adverse weather, explosion, accident, act of God or government, war or threat of war, riot, civil disturbance, act of terrorism, strike, lock-out, industrial dispute, failure or interruption of utilities, transportation, or communication problems, network communication failure or interruption, or plague, epidemic, pandemic, outbreaks of infectious disease or any other public health crisis, including quarantine, or other employee restrictions) then We will take all reasonable steps to minimise any effect on Our ability to perform Our obligations, but We will not be liable for any delay in performing or failure to perform Our obligations.

18.6 Where We are required to comply with the terms of an applicable court order in respect of the Investment Account, You agree that We shall not be liable for any losses You may suffer as a result.

18.7 We will exercise reasonable skill, care and diligence in Our selection and use of custodians, nominees or agents where We are responsible for selecting such parties. As long as We do this (and as long as the losses do not arise directly from Our fraud, gross negligence or wilful default), We are not responsible for loss arising from the default of a nominee, a custodian or agent whether the loss arises from loss of cash, Instruments, title documents or otherwise.

18.8 Nothing in these terms and conditions is intended to have, or has, the effect of excluding or restricting Our duties or liabilities to You that cannot legally be limited.

19. Outsourcing

19.1 We may from time to time outsource operations and services, in full or in part, to affiliates forming part of the Santander Group or third parties in Jersey or outside of Jersey. In particular, this may concern back and middle office functions such as IT, administration, trading and settlement, processing and safekeeping of securities and other financial instruments.

20. General

- 20.1 We may change these Supplementary Terms and Conditions or any details forming part of the contract between You and Us for the same reasons and on the same basis as set out in the General Terms and Conditions.
- 20.2 If at any time any provision or part of any provision of these Supplementary Terms and Conditions is or becomes invalid, illegal or unenforceable in any respect, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part of any provision shall be deemed deleted. Any modification to or deletion of a provision or part of any provision under this condition shall not affect the validity and enforceability of the rest of these Supplementary Terms and Conditions.
- 20.3 If Your Bank Account is with SFS, Jersey Branch, these Supplementary Terms and Conditions are subject to the laws of Jersey. You and We agree that the courts of Jersey will have jurisdiction to hear any disputes arising in relation to these Supplementary Terms and Conditions.
- 20.4 If Your Bank Account is with SFS, Isle of Man Branch, these Supplementary Terms and Conditions are subject to the laws of the Isle of Man. You and We agree the courts of the Isle of Man will have jurisdiction to hear any disputes arising in relation to these Supplementary Terms and Conditions.
- 20.5 These Supplementary Terms and Conditions are available only in English and all communications from Us will be made in English. We will only accept communications and instructions from You in English.
- 20.6 Where services are provided to You by SFS, Isle of Man Branch, You have the right to request details of any relevant educational and professional qualifications, and the experience and track record of, SFS, Isle of Man Branch and any employee of SFS, Isle of Man Branch directly engaged in providing services to You.
- 20.7 We aim to provide an efficient service of the highest quality. Occasionally, however, You may feel that Our standards of service fall below that which You would expect. In such circumstances, We have a procedure designed to deal with any difficulties quickly and efficiently. If You have a complaint about any of the services provided in accordance with these Supplementary Terms and Conditions, please contact Your Relationship Manager or visit www.santanderinternational.co.uk/contact-us/ for a full list of contact details or to download a copy of Our 'Your guide to our complaints procedure' leaflet. If for any reason You are not happy with Our decision, or it has been over 8 weeks since You first raised Your concerns with Us, You may be able to refer Your complaint to the Channel Islands Financial Ombudsman or the Isle of Man Financial Ombudsman Service depending upon the location of Your Bank Account.
- 20.8 As you are also a customer of PCI, You are, of course, free to raise any complaint or dissatisfaction that You may have with the services it provides to You by approaching PCI directly, as set out at clause 14 of the PCI Terms of Business at Schedule 1 to these Supplementary Terms and Conditions.

Schedule 1 – PCI Terms of Business

1. Relationship between you, us and Pershing

- 1.1 To help us provide our services to you we have entered into a client agreement with Pershing (Channel Islands) Limited ('PCI') under which PCI provides custody and settlement and other associated services to our clients (the 'PCI Agreement') in order to carry out the investment transactions we execute or arrange for our clients and to hold the related investments and cash. When we consider it necessary or desirable in connection with our services to you, we may agree with PCI that it or Pershing Securities Limited ('PSL'), an affiliate of PCI based in the UK, will also provide us other services, such as investment dealing services, under the PCI Agreement. The PCI Agreement covers both us and you as one of our clients. Please note that any terms set out in bold in these terms of business are described further in the Glossary which is set out in Annex 1 to these terms of business.
- 1.2 PCI is a company registered in Jersey, company number 107773. Its registered office is at 5 St. Andrew's Place, Charing Cross, St Helier JE4 9RB. PCI is regulated by the Jersey Financial Services Commission (the 'JFSC') for the conduct of investment business.
- 1.3 So that you can understand your rights and obligations in relation to the PCI Agreement, the main terms of the PCI Agreement which affect you are summarised below. If you have any questions about the PCI Agreement or these terms of business you should contact us to discuss this as soon as possible, and before you accept the terms of business or instruct us to act for you. As with any agreement or contract, you should also take any independent legal, financial or other advice which you think you need before accepting these terms.
- 1.4 By accepting these terms of business, you agree that:
- we are authorised to enter into the PCI Agreement on your behalf, acting as your agent;
 - accepting these terms means that there is a contract between you and us and also between you and PCI. As a result of that contract, you will be bound by both our terms of business and the PCI Agreement (as set out or summarised below);
 - we may give instructions to PCI on your behalf as allowed by our terms of business and the PCI Agreement and may provide information about you to PCI. When PCI receives such instructions or information from us, PCI is entitled to rely on them without making any further checks or enquiries; and
 - PCI is authorised to hold cash and investments on your behalf and can transfer such cash or investments from your account to meet your settlement or other obligations to PCI.
- 1.5 When you read these terms, it is important you understand that you will be a client or customer of ours, but you will also become a client of PCI for custody and settlement purposes.
- 1.6 We retain responsibility (including responsibility for complying with any related regulatory requirements) and PCI shall not have any responsibility for the following matters:
- our own operations;
 - the opening of an account for you;
 - the supervision and operation of your account for you;
 - our ongoing relationship with you;
 - making all necessary anti-money-laundering compliance checks relating to your business with us and the initiation of the relationship with us;
 - explaining to you the types of investments covered and any risks relating to investments, investment transactions or any investment strategy to be pursued on your behalf;
 - accepting and executing orders for investment transactions, following your instructions or within the mandate given by you;
 - any required assessment of the suitability or appropriateness of transactions and investments for you or, where permitted and necessary, warning you of any possible inappropriateness of an investment;
 - if required, providing any investment advice to you or taking investment management decisions on your behalf;
 - reviewing your accounts for market abuse, insider trading and compliance with JFSC Rules and any other applicable legal and regulatory requirements to which we or you may be subject; and
 - giving instructions to PCI or, where applicable, PSL which are proper, accurate and in accordance with any instructions or mandate you give us.
- 1.7 It is important that you understand that PCI is not responsible to you for the matters for which we are responsible. In particular, PCI will not provide investment advice nor will it offer any opinion regarding the suitability or appropriateness for you of any particular transaction or order. When it (or PSL) provides custody and settlement services, executes transactions or provides other services to you, it (or PSL) does so relying on the instructions and information we provide and is only responsible for following those instructions.

2. The roles and obligations of people acting together or for one another

- 2.1 If you hold an account jointly or otherwise hold assets jointly, with any other person, then you and any such other person(s) shall have **joint and several liability** to PCI. Examples of situations where such **joint and several liability** may arise are as follows:
- (a) **Joint account holders:** As well as joint account holders being jointly and severally liable in the way described above, any payment or accounting made by PCI to any one or more of those account holders will be treated as made to all of them.
 - (b) **Trustees:** As well as the trustees of any trust being jointly and severally liable to PCI in the way described above, PCI will treat the trustees as its client and not any beneficiary of the trust. Any payment or accounting made by PCI to any one or more of the trustees will be treated as made to all of them.
 - (c) **Partners:** If a partnership is PCI's client then each partner will be personally, jointly and severally liable to PCI in the manner described above. Any payment or accounting made by PCI to any one or more of the partners will be treated as made to all of them.
 - (d) **Agents:** If you are an agent acting on behalf of someone else (whether or not that person (the 'Principal'), has been identified to PCI as the person for whom you act) you will be treated as PCI's client under the JFSC Rules and you will also be fully liable to PCI under these terms as if you were acting for yourself. You and your Principal will be jointly and severally liable in the manner described above.

3. Your Accounts with PCI

- 3.1 PCI will open and maintain accounts on its books in your name in order to provide its services to you. When PCI receives any cash and investments from you, or on your behalf, then it will record them in your accounts.
- 3.2 PCI will have the right at its absolute discretion to stop providing services under these terms and close any accounts it holds and maintains in your name which may occur, for example:
- (a) if PCI is obliged to stop providing services under any applicable law or regulation (such as anti-money laundering provisions);
 - (b) if PCI is not able to provide the services effectively or providing the services would materially adversely affect PCI's operation;
 - (c) where you are in material breach of these terms or we are in material breach of the terms of the PCI Agreement;
 - (d) if providing the services to you or to us in relation to your account will have a materially adverse effect on PCI's reputation or will be in breach of any relevant law or regulation applying to you or to us (such as tax legislation); or
- (e) if your liabilities in relation to your account, and amounts owing by you to PCI, exceed or are likely to exceed the value of the cash and investments PCI holds for you.
- We will notify you if PCI chooses to exercise this discretion and the reasons for its decision unless we or PCI are prevented from doing so by some legal or regulatory constraint.
- 3.3 You may at any time when there are no outstanding obligations owed by you to PCI, give notice in writing to us to stop receiving services from PCI and close your accounts with PCI.
- 3.4 If either you or PCI decide to close your accounts with PCI you will need to give instructions on the future custody of your investments so that PCI can transfer your money and investments (after deducting amounts owed to it) to your new custodian.

4. Communication and Instructions

- 4.1 If we have classified you as a retail client, PCI will only accept instructions for your accounts from us and not directly from you.
- 4.2 If you are a professional client, PCI may agree to accept instructions direct from you, but only if there has first been a separate specific agreement with PCI setting out the manner in which instructions will be given and other relevant conditions, including clarification of your investment mandate and/or any other assurances that PCI may require.
- 4.3 PCI may rely on and act on any instructions which PCI in good faith believes were given by us or our representatives. Such instructions can only be cancelled or changed if we give written notice to PCI sufficiently in advance to enable PCI to prevent the processing of the instructions. If PCI seeks instructions from us and we do not respond within a reasonable time, then PCI may take such action as it considers appropriate on the relevant matter. PCI is not responsible or liable to you for any delays or inaccuracies in the transmission of instructions or other information (or any resulting action or failure to act) where that delay or inaccuracy is as a result of factors outside the reasonable control of PCI. This means that if the delay or inaccuracy is not PCI's fault, then you cannot obtain redress from PCI.
- 4.4 There may be circumstances where PCI refuses to accept any order or other instruction for your account. For example, PCI may do so for any of the reasons set out in paragraphs 3.2(a) (e) above or where:
- (a) the transactions falls outside the dealing criteria that PCI and/or (where applicable) PSL applies;
 - (b) PCI and/or (where applicable) PSL cannot carry out the instruction because it cannot access a market; or
 - (c) we or PSL do not have the necessary regulatory permission to deal in a particular investment.
- We will inform you if PCI refuses to accept an instruction and the reasons for its decision unless we or PCI are prevented from doing so because of any legal or regulatory constraint.

4.5 If you have any questions or concerns relating to your account with PCI, you should tell us and we will deal with PCI on your behalf. You should not contact PCI directly.

4.6 All communications whether written, spoken, electronic or in any other form between you, us and/or PCI shall be in English.

5. Dealing

5.1 Normally we will be responsible for executing any order or transaction on your behalf. This means that neither PCI nor PSL will owe you a duty of best execution under the JFSC or FCA Rules or otherwise when it carries out the services with respect to the transactions executed by us on your behalf. We shall be responsible for ensuring best execution (where applicable) and for any decision to aggregate transactions for you with those of other people.

5.2 We may sometimes agree with PCI that PSL is to execute transactions for your account when we transmit orders to it. If we do this, we have agreed that, rather than you, we will be PSL's client for the purposes of the FCA Rules. In order for PSL to provide **dealing** services for your account, you need to ensure that:

- (a) where you are buying investments, there is sufficient cash in your account; and
- (b) where you are selling investments, documents of title or transfer forms that are required are delivered to PSL, in either case, prior to the execution of the transaction by PSL.

5.3 PSL will provide **dealing** or **execution** services on the following basis:

- (a) execution by PSL will be subject to the FCA Rules and the rules of any investment exchange or other trading facility on which the transaction is executed;

(b) PSL will treat the instructions we give them as binding on you. Any express instruction from us to PSL on your behalf concerning order execution will override PSL's order execution policy and will remain binding on you;

(c) PSL will execute such orders in accordance with PSL's order execution policy as amended from time to time and notified to us;

(d) PSL may combine your orders with orders for its other clients or PSL's own orders. PSL will only do this if it considers that it is unlikely to work to the overall disadvantage of you or any of its clients involved however it is possible that aggregating orders in this way may sometimes operate to your advantage and sometimes to your disadvantage by giving you a higher or lower price than might have been the case if your order had been placed individually; and

(e) once PSL executes any transaction on your behalf, PSL will, unless you previously instructed us otherwise, send a contract note to you. It is very important that you check the detail of all contract notes you receive, and notify us (and not PSL directly) immediately if there is any error or if you have any question about them, because the contract note will be considered a conclusive and final record of any detail contained in it, unless we notify PSL of an error within 1 working day after receipt by you and in any event no later than the settlement date for the transaction concerned.

6. Settlement of Transactions

6.1 When transactions are undertaken on your behalf, they will be due for settlement in accordance with market requirements and the relevant contract note or advice. These settlement terms will vary dependent upon the market and securities dealt in. The contract note will specify the settlement date.

As stated above, it is your responsibility to ensure that PCI receives the necessary investments, documents or cash (as the case may be) in order for PCI to settle the transaction on your behalf. PCI must receive any cash in cleared funds in sufficient time prior to the settlement date in order that it can make the necessary payment.

6.2 You hereby undertake that any cash or investments held by or transferred to PCI by you will be free from any right of a third party to make claims against that money or those investments. In particular, it is your obligation to make sure that no other person will be entitled to:

- (a) security rights over them, such as a **security interest**, a **mortgage** or a **charge**;
- (b) any right to withhold or retain them, such as a **lien**;
- (c) any other rights to have any of the cash or investments paid or transferred to them or to prevent any transfer of such cash or investments from going ahead; or
- (d) any right to be paid all or any of the proceeds of a transaction;

so that settlement on your transaction can take place.

6.3 In order to settle transactions on your behalf, PCI will need to deal with the other party to the transaction (the 'counterparty'). If a transaction has to be settled through a **CCP** or **CSD** the specific provisions set out in Annexes 2 and 3 shall apply.

6.4 You agree that you will not have any rights to cash or investments which are due to be received by you following a transaction until you have performed your own obligations in relation to that transaction and PCI has been able to settle that transaction on your behalf. Similarly, PCI has no obligation to account to you for any such cash or investments until you have performed your obligations and the transaction has been settled. Until that has happened, PCI is entitled, without giving you any further notice, to sell or otherwise dispose of any such investments and apply the proceeds or any cash it receives in relation to the transaction in order to discharge or reduce any of your obligations in relation to the transaction.

6.5 PCI is not obliged to credit any cash or investments it receives to your account until it has received them in irrevocable and unconditional settlement of the relevant transaction without the sender being able to reverse the settlement or require redelivery. If for any reason PCI does credit cash or investments to your account earlier than this and PCI reasonably considers that irrevocable and unconditional settlement is unlikely to take place then PCI will be entitled to reverse the entry and require you to give back or redeliver the cash or investments or their equivalent.

6.6 In some cases, transactions will be subject to **netting**. You agree, in respect of any transaction which is subject to **netting**, to discharging the settlement obligations on a net basis in accordance with the rules of the relevant **CCP**, **CSD** or agreement with the counterparty. You acknowledge that if net settlement takes place then PCI will only be obliged to account to you for any investments or cash in connection with the transaction on a net basis.

- 6.7 If a transaction is undertaken on your behalf on non-UK markets, the specific provisions set out in **Annex 3** shall apply.
- 6.8 Transactions executed on your behalf may settle in the books of a **CCP**, **CSD** or other body or custodian combined with transactions for the account of other clients of ours. If this happens then PCI will allocate between our clients the cash or investments received by it or on its behalf as a result of the settlements in accordance with the client trades we have notified to it. If PCI receives cash or investments for trades that were intended to settle at the same time (but which, for whatever reason, do not do so), then PCI will allocate that cash or investments received by it on the following basis:
- (a) in accordance with any priority for settlements determined by PCI prior to the transactions taking place;
 - (b) if transactions have the same priority, then the allocation will be in order of time, by reference to the intended settlement date of the transaction which we specified to PCI, so that the earliest in time will settle first in each case;
 - (c) where transactions have the same priority and intended settlement date, then the allocation will be by value so that the larger or largest trade by value (not by number of units or size) will be settled first in each case;
 - (d) where these allocations are necessary, they will also be subject to the operation of the relevant **CCP**, **CSD**, custodian or other entity. Such operations may include a **netting** rule or practice, automatic splitting of unsettled transactions or other automatic aggregation, splitting or allocation.
- 6.9 **Time shall be of the essence** with respect to any payment, delivery or other obligation of yours to PCI.

7. Client Money

- 7.1 Money held by PCI for your account, will be held in compliance with the Financial Services (Investment Business (Client Assets)) (Jersey) Order 2001 when these apply to the money. This means, amongst other things, that PCI will hold your money in a special designated client bank account which is an account kept separate from PCI's own funds.
- 7.2 When considering where that client bank account should be, PCI will exercise due skill, care and diligence and will periodically review the adequacy and appropriateness of any bank or credit institution where your money is deposited and of the arrangements for holding your money (such as which banks or credit institutions are used, the amount of client money deposited with the bank or credit institutions and any use of fixed term deposits for client money). These requirements will not apply where your money is held with a central bank of a country. It is important to note that PCI is not responsible for any acts, omissions or default of a credit institution or bank chosen by it but only for taking care in its choice and monitoring.
- 7.3 When PCI holds your money in a client account it may be pooled with money belonging to other clients of PCI. Where funds are pooled in this way, you will not have a claim for the specific sum in a specific account. Your claim would be against the client money pool in general and if there is a deficiency in the pool you would share pro rata in that loss. Such a deficiency is likely to arise if a relevant bank or credit institution with which client money is deposited by PCI becomes insolvent or otherwise defaults on its obligations to pay out money when due.
- 7.4 If PCI holds money which is not immediately required to settle an investment transaction, such money will be deposited with a bank or credit institution, together with other clients' money. Money may earn interest at a rate determined by the relevant bank or credit institution. However, the amount of any interest on money that would be credited to your account and made available to you (subject to clauses 11 and 12.3), will be determined by us, and will be as notified by us to you from time to time. Any interest will be calculated on a daily basis and credited to your account every six months. We may decide not to credit your account if the amount of the interest falls below a threshold amount notified to you by us. Where we notify you of an interest rate lower than zero this denotes that a charge in the form of debit interest may be charged for that balance as notified to you by us.
- 7.5 If we, or PCI, are unable to contact you (for example if you move and fail to update your address with us), so that we are unable to deliver money held for your account to you, or you fail to respond to our communications requesting any instructions from you concerning such money, with the result that any of your money held by PCI is unclaimed, PCI may transfer such money to a pooled client unclaimed money account subject always to PCI undertaking to make good any valid claim by you. The money held in the client unclaimed money account will be held by PCI in compliance with the JFSC Rules.
- 7.6 Sometimes we or PCI will undertake a transaction for you which requires your money or investments to be passed to an **Relevant Party** in order to meet the obligations under that transaction or as **Margin or Collateral**. When a **Relevant Party** is involved then any money or investments passed to the **Relevant Party** may be at risk in the event of its insolvency. By accepting these terms, you acknowledge that this is the case.
- 7.7 Please refer to the provisions of Annex 3 which will apply if your money is held by a credit institution or bank outside Jersey, the UK or EEA.
- 7.8 PCI may use a bank which is affiliated to PCI to hold client money on your behalf subject always to any specific JFSC Rules concerning the use of such affiliate bank.
- 7.9 Money held by PCI in pooled client money accounts as set out in this clause 7, may (in part) be deposited (where permitted under JFSC Rules) into a fixed term deposit. Money held in fixed term deposits cannot be withdrawn by PCI until the fixed term expires. This means that the part of the client money pool (as described in clause 7.3 above) which is held in fixed term deposits would not be available for immediate (or next day) withdrawal by you and the return of such client money would be delayed until the fixed term expires. In addition, PCI would not be able to move client money held in a fixed term deposit until the expiry of such fixed term and therefore would not be able to mitigate the risk of any default or insolvency of the relevant bank or credit institution and the possible creation of a deficiency in the client money pool (resulting in a loss as described in clause 7.3) which may arise during such fixed term. By accepting these Terms of Business you acknowledge you are aware of and accept the risks set out in this clause 7.9.

8. Custody and administration of your investments

- 8.1 Subject to clause 8.2, where PCI holds investments for your account it will register those investments in the name of a **nominee company** controlled by PCI or by a member of PCI's group.
- 8.2 In some situations, for example where the rules of a particular market or **CSD** require, PCI will register your investments in the name of an **Eligible Custodian**. PCI will not usually register investments in your name but if it is required to do so, you shall remain responsible for the consequences of any such registration.
- 8.3 If your investments are held overseas the provisions of Annex 3 shall also apply.
- 8.4 When your investments (including any money held for your account) are held by a depository or an **Eligible Custodian**, such depository or **Eligible Custodian** may have rights against your investments, arising out of the operation of local law, local regulatory rules, or market practice which may include:
- security rights over them including but not limited to a **security interest, a mortgage or charge;**
 - rights to withhold or retain them, such as by way of a **lien;**
 - other rights to have the asset paid or transferred to them or to prevent a transaction involving such asset from going ahead; and/or
 - rights to be paid any or all of the proceeds of a transaction involving the asset.
- PCI has agreed with the **Eligible Custodians** that such rights as set out in this clause 8.4 are limited to those in respect of debts arising (i) out of properly incurred charges and liabilities arising from the safekeeping, administration and provision of services (including the settlement of transactions as set out in clause 6) with respect to the investments held by the **Eligible Custodian**; or (ii) under the rules of a **CSD, CCP** or local settlement system.
- 8.5 PCI shall keep a record of your entitlement to your investments in situations where PCI or an **Eligible Custodian** (or a **nominee company**) have registered or recorded your investment in a combined account or pooled in some other way with investments belonging to other clients of ourselves, of PCI or of the **Eligible Custodian**. In such a situation you should note the following effects and by accepting these Terms of Business you expressly acknowledge and accept these risks:
- your individual entitlements may not be identifiable by separate certificates, physical documents or equivalent electronic entries on the register;
 - In the course of settlement of transactions from the omnibus account (due to the nature of such holding and the operation of settlements into and from an omnibus account) circumstances could arise whereby your assets as held in the pool are used to satisfy the transaction of another client whose assets are also held in the omnibus account. You should note that Pershing has in place systems and controls to reduce the occurrence of such events and to mitigate the risk to you from such circumstances as required under JFSC Rules;
 - if there is an irreconcilable shortfall following any loss by or default of, PCI or the **Eligible Custodian** (or a **nominee company**) then you may not receive your full entitlement and may share in any shortfall on a pro rated basis with any other investors;
- sometimes PCI will receive investments or money on behalf of more than one client in connection with pooled holdings (for instance in a bonus or rights issue or takeover). In such circumstances PCI may, in accordance with JFSC Rules, allocate such investments between clients on whatever basis it considers fair and reasonable in accordance with its allocation policy in force at the time;
 - if a share issue or other corporate event favoured the 'small investor' (as defined by the issuer making the issue or creating the corporate event) your actual allocation may be less than it would be if your investments were registered in your own name; and
 - sometimes amounts or investments may arise which would not have arisen if the investments had been registered in your own name. You may not be entitled to any such additional amounts.
- 8.6 Any instructions you wish to give about the administration of investments held by PCI should be given to us in writing for us to send to PCI. We will not accept instructions from anyone but you and will not send instructions to other people on your behalf unless in either case you have previously provided us with a copy of a valid power of attorney authorising us, or the relevant person, to send such instructions.
- 8.7 PCI will inform us of any rights issues, takeover offers, capital reorganisations, conversion or subscription rights (collectively 'corporate actions') that affect or relate to investments held on your behalf by PCI or an **Eligible Custodian**. It will do so as soon as reasonably practicable after receiving notice of those events. We will, in turn, inform you.
- 8.8 You should contact us and not PCI if you need any advice in connection with any corporate actions. PCI is not responsible for taking decisions in relation to any corporate actions and will require instructions from you or us on matters such as:
- exercising conversion and subscription rights;
 - dealing with takeovers or other offers or capital reorganisations;
 - exercising voting rights (where PCI exercises such rights on your behalf).
- 8.9 If any notification is given to you pursuant to clause 8.7 from PCI, you must ensure that you provide instructions to us, for onward transmission to PCI in sufficient time to ensure that PCI is able to act upon such instructions. The instructions given, their consequences, and the consequences of failing to give us instructions, will be entirely your responsibility. Neither we nor PCI is obliged to do more than give one notification on the relevant matter.
- 8.10 PCI will be responsible for claiming and receiving dividends, interest payments and other entitlements automatically arising in respect of the investments held for your account.

- 8.11 Sometimes PCI or an **Eligible Custodian** who is holding your investments may receive dividends, interest and other rights or payments after local withholding or similar taxes or other deductions are made from those sums. You accept that PCI or any **Eligible Custodian** may, if it is required to do so to comply with legal or regulatory requirements, withhold or deduct tax or other amounts from any such payments. Any costs PCI or an **Eligible Custodian** incurs when complying with these obligations may be deducted by PCI from your account. If you are eligible to reclaim any such withholdings or deductions then this will be your responsibility and not that of PCI or an **Eligible Custodian**, to do so.
- 8.12 PCI will arrange for you to receive (in accordance with JFSC Rules) a safe custody statement of the investments and cash balances it holds for you, reported on a trade date basis (or on such other basis as stated in the statement itself). The frequency of such statements is determined by JFSC Rules. PCI may provide such statement to you via appropriate on line or electronic means (subject to JFSC Rules) and provided we or PCI notified you of the availability of such statement, it shall be your responsibility to access and review such statement..
- 8.13 In some circumstances PCI may refuse to hold any investment or investments for you. This may occur in any of the circumstances outlined in clause 3.2 of these terms or if the investment concerned is of a kind for which PCI does not have facilities, or arrangements with appropriate **Eligible Custodians**, to hold or if holding the investment would expose PCI to liabilities. We will notify you if PCI chooses to exercise this discretion unless legal or regulatory constraints prevent such disclosure.
- 8.14 PCI will not loan your investments or use them to raise finance unless you have entered into a separate specific written agreement with PCI allowing such use of your investments.

9. Consequences of your default

- 9.1 If you fail to pay cash or investments (as relevant) when due to meet any settlement obligations or if you otherwise fail to meet any of your other obligations to PCI then you should be aware that there will be certain consequences as a result of such failure, as further described in the remainder of this clause 9.
- 9.2 You will not have a right to title or interest in any cash or investments received for your account. PCI will have no obligation to deliver or account to you for any such cash or investments and PCI will be entitled to retain any such cash or investments until such time that you have met your obligations.
- 9.3 PCI may, without providing any advance notice, use any cash, or sell any securities, held or received for your account and use the proceeds (after deducting any costs in doing so) to eliminate or reduce any unpaid obligations owed to PCI. Any surplus remaining after discharging the obligations owed to PCI will be paid to you. If the cash and proceeds of disposals do not cover all the obligations owed to PCI, you will still owe PCI the balance.
- 9.4 PCI may, among other things, and without giving you further notice:
- (a) enter into any other transaction (including those with the effect of closing-out a position, or reversing or cancelling a transaction previously entered into);
 - (b) take or refrain from taking further action which it considers would, or could, reduce or eliminate any liability under any transaction undertaken for you. PCI may take similar action where it reasonably considers that you have not, or are unlikely to perform your obligations under these terms.
- 9.5 Where PCI exercises its rights to use your cash or dispose of your investments under clause 9.3 above, it will have no further obligation to you (and neither you nor we will have any right to require PCI to account to you, or to anyone else, for any investments or cash received when the relevant transaction is settled.
- 9.6 You agree that PCI may **set off** transfer or apply (without further notice to you) any obligations or monies owed by PCI to you in order to satisfy in whole or in part any debt or obligation or sum that is due from you to PCI. This applies even if the obligations are in different currencies and includes the payment of any fees or charges due to PCI and any amounts due under your indemnity obligations to ensure PCI does not lose money as a result of your default under these terms or the services it provides you with.
- 9.7 In exercising its rights under these terms PCI may convert currencies and carry out foreign exchange transactions with you or on your behalf at such rates and in a manner that PCI may in its discretion determine. In such circumstances, PCI shall be acting on its own behalf and not executing your orders. It shall therefore not be liable to you for the result obtained, nor for its choice of which investments are to be sold.
- 9.8 The provisions in this clause 9 will continue to apply even if we or PCI stop providing services to you, so long as any obligations for your account remain outstanding. They apply in addition to any other right PCI has, and they will not be affected by any failure by PCI or anyone else to fully enforce their contractual rights, whether as to payment, time, performance or otherwise.

10. Limits on PCI's Liability to you and Indemnities you give to PCI

- 10.1 The liability of PCI (and where relevant its directors, employees or agents) to you for any loss or damage which you suffer in connection with these terms shall be limited to circumstances where any such loss or damage has arisen directly as a result of negligence, fraud or wilful default or a breach of the JFSC Rules by PCI (or where relevant, its directors, employees or agents). In any event, PCI will not be liable to you for any indirect or consequential losses (howsoever arising). PCI will also not be liable for any loss that is a loss of profit or for any losses that arise from any damage to your business or reputation.
- 10.2 This means that PCI will only be liable for losses that arise as a result of its negligence, fraud or wilful default and then only, for any losses which:
- arise naturally from a breach by PCI of its obligations; and
 - which were reasonably foreseeable to PCI at the time these terms are entered into.
- 10.3 It is important that you understand that you are responsible for making sure that PCI does not suffer by reason of acting for you. You agree to make good and reimburse (indemnify) PCI and each of its directors and employees and agents ('Indemnified Persons'), after the deduction of any applicable taxes, for and against any liabilities, reasonable costs and expenses (including legal costs) and all duties and taxes (other than PCI's corporation tax) which are caused by:
- PCI providing its services to you;
 - material breach by you of any of these terms;
 - default or failure by you to make a delivery of investments or payment when due; or
- (d) any challenge to the validity of, or requirement for proof or ownership, or in respect of any fraud or forgery in relation to any investments delivered to PCI by you or on your behalf, or in relation to any document of transfer regarding such investments. This will include any electronic instruction or information, which appears to transfer such investments.
- 10.4 You will not be liable to indemnify PCI under this clause 10 and PCI will have no right or claim against you or us if any consequences to PCI are caused by its own negligence, wilful default, fraud or any breach of the JFSC Rules.
- 10.5 PCI has no liability to you or us for failure to provide any of the services under these terms if that failure is caused wholly or partly by events beyond PCI's reasonable control. This includes (but is not limited to) any failure of communication, settlement, computer or accounting system or equipment, any failure or interruption in the supply of data, any political crisis or terrorist action, suspension or limitation of trading by any exchange or clearing house or any fire, pandemics, flood or other natural disaster. In any of these (or other similar) circumstances any or all of PCI's obligations will be suspended until the state of affairs giving rise to the failure of PCI is remedied.
- 10.6 The provisions in this clause 10 will continue to apply even if we or PCI stop providing services to you. They apply in addition to any other right of indemnity or claim of any Indemnified Person whether or not under these terms, and they will not be affected by any failure by PCI or anyone else to fully enforce their contractual rights, whether as to payment, time, performance or otherwise.

11. Charges

- 11.1 The fees and charges payable by you in relation to the services provided by PCI (in particular, the money management fee), and any taxes payable through PCI, will be set out in our charging schedule as notified to you from time to time.
- PCI can either pay these out of the assets and money it holds for you for your account or by way of set off as described at clause 9 above or require you to pay them directly to PCI or to PCI through us. You may also be liable for other taxes or charges which are not payable through PCI.

12. PCI's Conflicts of Interest

- 12.1 PCI, its associated group companies (associates) or nominees may provide services or enter transactions under these terms in circumstances in which PCI or its associates have a material interest. This interest could be direct or indirect and PCI or its associates could also have a relationship with someone else, which may involve a conflict of interest or potential conflict of interest with you. Examples where such actual or potential conflicts may happen include situations where PCI or any of its associates:
- is, or is acting on behalf of, the counterparty to a transaction that is executed by PCI (whether or not involving a fee or commission or increased or reduced price offered or received by PCI or its associates);
 - has a long or short position in the relevant investment; or
 - is otherwise connected to the issuer of the investment to which any instructions relate.
- 12.2 PCI may receive payments from fund managers if PCI provides services to those fund managers through the [PCI Nexus Funds Trading Platform]. Any payments of this kind are calculated by reference to the value of the assets that PCI holds in custody for its clients.
- 12.3 PCI may place money held for your account with a bank or other financial institution (in accordance with the JFSC Rules) and earn interest and retain some or all of that interest from that bank or financial institution.
- 12.4 A summary of PCI's conflicts policy (including further disclosure concerning the payments PCI may receive from fund managers) is published on PCI's website at www.pershing.co.uk under the heading of 'compliance disclosures' (a hard copy is available on request from us).
- 12.5 You acknowledge that neither PCI nor any of its associates is required to disclose or account to you for any profit made as a result of acting in any manner described above.

13. Data Protection and Confidentiality of Information

- 13.1 PCI may store, use or otherwise process personal information about you which is provided by you or us on your behalf. The purposes for which it can store, use or process such personal information are providing investment and other services under these terms, administering your account and other purposes closely related to those activities. This includes (but is not limited to) using information for the purposes for credit and anti-money laundering enquiries or assessments. In Jersey PCI operates and has made all the appropriate notifications in accordance with applicable data protection legislation.
- 13.2 Any information that we and PCI hold about you is confidential to you and will only be used in connection with providing services under these Terms of Business (as may be set out in more detail in PCI's published privacy policy as referred to in clause 16). Information of a confidential nature will be treated as such provided that such information is not already in the public domain. PCI will only disclose your information to third parties in the following circumstances:
- (a) if required by law or if requested by any regulatory authority (including any tax authority) or exchange having control or jurisdiction over you, us or PCI (or any associate of ours or PCI);
 - (b) to investigate or to prevent fraud, market abuse, tax evasion or other illegal activity;
 - (c) in connection with the provision or services to you by us or PCI;
 - (d) for purposes closely related to the provision of the services or the administration of your account including without limitation for the purposes of credit enquiries or assessments;
 - (e) if it is in public interest to disclose such information; or
 - (f) at your request or with your consent.
- 13.3 The restrictions on the use of confidential information described above are subject at all times to a general proviso that PCI may disclose your information to certain permitted third parties including members of its own group (associates) and its professional advisors (including accountants and lawyers) who are subject to confidentiality codes.
- 13.4 Neither we nor PCI will sell rent or trade your personal information to any third party for marketing purposes unless you give your express consent.
- 13.5 You should note that by signing or otherwise accepting these terms you agree that PCI is allowed to send your information internationally including to countries outside the EEA such as the United States of America. Some countries where your information is sent will offer different levels of protection in relation to personal information, not all of which will be as high as Jersey and the UK. PCI will however, always take steps to ensure that your information is used by third parties only in accordance with PCI's policy.
- 13.6 You are entitled to a copy of any information PCI holds about you. In the first instance, you should direct any such requests to us and we will pass your request on to PCI. PCI is entitled to by law to charge a fee of £10 to meet the cost of providing you with details of the information it holds about you. You should let us know if you think any information PCI holds about you is inaccurate and we will ask PCI to correct it.

14. Complaints

- 14.1 If you have a complaint you should notify our compliance officer in the first instance. If however, your complaint concerns an aspect of the service provided to you by PCI and you wish to copy your complaint to PCI directly copies should be sent to:
- Pershing (Channel Islands) Limited
 Floor One
 Liberation Station
 St Helier
 Jersey JE2 3AS
 Attention: the Compliance Officer
- 14.2 Where you make a complaint both we and PCI will endeavour to resolve your complaint as quickly as possible but in any event we will acknowledge receipt of your letter within 5 business days. The acknowledgement sent will include a full copy of our or PCI's internal complaints handling procedure. Upon resolution of your complaint we or PCI will send you a final response letter, which sets out the nature of our response of any proposed resolution, and any appropriate remedy. If for any reason you are not satisfied with our or PCI's final response, or we or PCI have failed to resolve your complaint within 8 weeks of receipt, you may be entitled to refer your complaint to the Channel Islands financial Ombudsman. A leaflet detailing the procedure is provided in our or PCI's final response.

15. Amendment

- 15.1 PCI reserves the rights to alter these terms at any time. It will only do so after giving prior written notice to us [in reasonable time for you to consider the impact of those changes,] unless it is impractical in the circumstances to give such notice.

16. Provision of Information via a website

16.1 PCI may provide the following information to you via the website www.pershing.co.uk (under the 'disclosures' section). Such information may be amended from time to time by PCI:

- (a) General disclosures of information about PCI, its services and disclosures relating to such Services in general;
- (b) Information concerning the safekeeping of investments and money held by PCI or any of its appointed **Eligible Custodians**;
- (c) Information on costs and charges (where relevant);

(d) Information relating to PSL's order execution policy, order handling and conflicts of interest for the Dealing Services referred to in clause 5;

(e) PCI's privacy policy covering the processing of any personal data under the relevant data protection legislation; and

(f) Disclosures and policies containing general information in relation to the Services provided by PCI to you which PCI is required to publish or which is addressed to the generality of its clients (excluding amendments to these terms and conditions)

PROVIDED Always that such information provided via the website does not include any confidential information or personal data relating to you.

17. General

17.1 PCI's obligations to you are limited to those set out in these terms. PCI shall in particular not owe any wider duties of a fiduciary nature to you.

17.2 No third party shall be entitled to enforce these terms in any circumstances.

17.3 Any failure by PCI (whether on an ongoing basis or not) to insist upon strict compliance with any of these terms is not deemed to amount to PCI giving up or waiving any of any of its rights or remedies under them. The rights and remedies conferred on PCI will be cumulative and the exercise or waiver of any part of them will not stop or inhibit the exercising by PCI of any other additional rights and remedies.

17.4 These terms are governed by Jersey law and you irrevocably agree to submit, for the benefit of PCI, to the non exclusive jurisdiction of the Courts of Jersey.

Annex 1 – Glossary

Business Days means any day on which the London Stock Exchange is open for trading and which is not a public holiday in Jersey.

CCP This stands for central counterparty, which is typically an institution that acts as an intermediary between two market participants. The seller of a security sells to the central counterparty. The central counterparty simultaneously sells to the buyer. This means that if one party defaults then the central counterparty will absorb the loss. This reduces the amount of counterparty risk that market participants are exposed to.

Certain markets that PSL trades in on your behalf will involve a CCP and such transactions will be subject to the rules of the CCP.

Charge A charge does not involve a transfer of ownership but gives a degree of control to a third party over any dealing or disposal of the asset.

Clearing and Settlement Services The process by which, once an investment has been bought or sold on your behalf, the money is transferred from the buyer to the seller and the investments or the title to the investments is transferred from the seller to the buyer.

CSD This stands for central securities depository which is a financial institution that custodies securities and provides securities settlement services to one or more markets.

When settling a transaction on your behalf PCI may have to settle such transaction through a central securities depository or other securities settlement system and the transactions will be subject to the rules of the CSD.

Custody Services The safekeeping and administration of any investments held by PCI or its nominee company on your behalf.

Dealing or Execution Services The buying or selling of investments on your behalf.

Eligible Custodian This refers to a third party custodian (or its nominee company) who PCI selects under the JFSC Rules to register your investments with.

FCA Rules The rules of the UK Financial Conduct Authority as amended, supplemented or replaced from time to time.

JFSC Rules The Financial Services (Jersey) Law 1998, the Codes of Practice for Investment Business issued by the JFSC, the Financial Services (Investment Business (Client Assets)) (Jersey) Order 2001, the Policy Statement and Guidance Notes on Outsourcing issued by the JFSC and any other applicable Jersey laws and regulations.

Joint and Several Liability If joint and several liability applies, the effect is that both you and the other person(s) separately promise to meet all obligations under these terms in respect of the account either (1) jointly with the other person(s); and (2) individually.

Lien A Lien allows the person holding the asset to withhold or retain such asset pending the satisfaction of your obligations to them.

Margin or Collateral This is where your money or investments are passed to a Relevant Party in order to provide security against the performance of obligations.

Mortgage A mortgage transfers the ownership of an asset to a third party on the condition that it will be re-transferred on the discharge of the obligations owed to that third party.

Netting Netting is the process under which PCI and/or the counterparty, CCP, CSD or other body concerned with settling a transaction are entitled to reduce their obligations to each other by setting off their obligations to deliver cash or securities to one another. This will give a single amount owing to one party from the other rather than a two-way payment. This single amount will then be paid or delivered to the relevant party.

Nominee Company A nominee company is one which is used solely for holding investments separately and which does not carry on any other business.

Relevant Party This includes (but is not limited to) an exchange, clearing house, intermediate broker, settlement agent or a counterparty dealt with directly (over the counter) outside of any exchange. The Relevant Party may be located in the UK or elsewhere.

Security Interest A 'security interest' as defined in the Security Interests (Jersey) Law 2012

Set-Off This may arise where both you and PCI owe sums to each other. In such circumstances PCI may deduct any sums owed to it by you from any sums that are owed by PCI to you so as to either eliminate or reduce PCI's liability to you.

Time shall be of the Essence The use of this term in relation to any payment, delivery or other obligation you have to PCI means that PCI shall be entitled to terminate these terms and, if appropriate, claim damages from you if you fail to perform your obligation in accordance with the time specified. It is intended to ensure that the relevant deadlines are strictly complied with.

Annex 2 – CCP and CSD Transactions

1. Settlement of CCP and CSD Transactions

- 1.1 In order to settle transactions on your behalf, PCI will need to deal with the other party to the transaction (the 'counterparty') and sometimes transactions will be settled through a central counterparty ('**CCP**') or a central securities depository or other securities settlement system ('**CSD**') or other depository transfer agent or similar body. When PCI deals with these parties, it does so as your agent, in good faith and on the basis that:
- (a) PCI is not responsible for any default or failure of the **CCP**, **CSD** or other counterparty or of any depository or agent of those entities; and
 - (b) the delivery of any securities or payment to you as a result of the transaction is entirely your risk and not that of PCI.
- 1.2 In some cases, transactions will be subject to **netting**. You agree, in respect of any transaction which is subject to **netting**, to discharging the settlement obligations on a net basis in accordance with the rules of the relevant **CCP** or **CSD**. You acknowledge that if net settlement takes place then PCI will only be obliged to account to you for any investments or cash in connection with the transaction on a net basis.

1.3 We and you acknowledge and agree that:

- (a) PCI does not owe any duty to us, you or any other person to verify the appropriateness, adequacy or effectiveness of the rules, requirements and procedures of any market or **CCP**; or in relation to any exercise or non-exercise by the market or the **CCP** of its rights or powers under such rules, requirements and procedures; and
- (b) PCI shall have no liability for any loss or damage suffered or incurred by us or you by reason of PCI taking or failing to take any action, where such action or failure to take action is authorised, permitted or required by a market or a **CCP** or is otherwise deemed necessary by PCI under the rules, requirements and procedures of the market or the **CCP**.

2. Limits on PCI's Liability to you and Indemnities you give to PCI

If any net settlement takes place then PCI's only obligation to account to you will be to account for the net investments and/or cash received by it from any relevant **CCP**, **CSD**, or their respective agents, corresponding to the transactions relevant to the net settlement entered into on your behalf.

In addition you agree that PCI shall have no liability to you in connection with the exercise by any **CCP**, **CSD**, or their respective agents of their powers under any Power of Attorney or equivalent right or power in respect of any settlement account operated by or on behalf of PCI in connection with the settlement of any transaction.

Annex 3 – Overseas Investments

1. Settlement of Transactions

If a transaction is undertaken on your behalf on non-UK markets, it will be subject to the rules of the relevant overseas exchange, clearing system and/or depository and to any terms of any foreign agent or custodian employed by PCI.

These rules and terms may include, but are not limited to, such persons having the right to reverse a transaction (including reversing the delivery or re-delivery of any investment and any payment) even after it has been settled. In view of the number of markets and counterparties which may be used it is not possible to outline all of the potential rules and obligations that may apply in such cases.

2. Client Money

If your money is held by a credit institution or bank outside Jersey, the UK or EEA or your money or investments are passed to a third party then it is important you understand that the legal and regulatory regime applying to that credit institution, bank or other third party will be different from that of Jersey, the United Kingdom or the EEA.

This means, amongst other things, that the rights and protections you have under the JFSC Rules will not be available in respect of those banks or credit institutions or third parties. Other rules and regulations may apply to them under local law but your rights and obligations are likely to differ, particularly if such party is in default.

3. Custody and administration of your investments

3.1 Whether or not they are registered or recorded in the name of PCI, or an **Eligible Custodian**, investments belonging to you which are held abroad may be subject to different settlement, legal and regulatory requirements from those applying in Jersey, the UK or the EEA. Your rights may therefore also differ. In particular, such investments, by their nature may require, in order to effect settlement of your transaction, that the investment is held in a country that may not impose specific regulation covering the safekeeping of investments. Subject to PCI, satisfying itself that the arrangements for the holding of your investment in such market by the **Eligible Custodian** it appointed are adequate (based on the due diligence referred to in clause 3.2 of this Annex 3), PCI will deposit such investment with such **Eligible Custodian** notwithstanding the risks outlined in this Annex 3.

3.2 PCI will exercise due skill, care and diligence in the selection, appointment and periodic review of any **Eligible Custodian** it appoints (including the regulatory rules applicable to such **Eligible Custodian**) and the arrangements for the holding and safekeeping of your investments. It is important that you understand PCI is not responsible for anything done or not done, or any default of an **Eligible Custodian** unless that default is caused by the negligence, fraud or wilful default on the part of PCI or any of its nominee companies. Although PCI will seek to make sure that adequate arrangements are made to look after your ownership rights in any investments (especially in the event of its own insolvency) you should understand that your investments may be at risk if an **Eligible Custodian** becomes insolvent.

3.3 Overseas investments may be registered or recorded in the name of PCI or in the name of an **Eligible Custodian**. Your acceptance of these terms indicates your consent to the possibility of registration in such manner. However any such registration in one of these ways will only be done after PCI has taken reasonable steps to determine that it is in your best interests to do so or that it is not feasible to do otherwise because of the nature of the applicable law and market practice in the jurisdiction where the transaction occurs. Registration in this way means that your investments may not be kept separate from other investments belonging to PCI or the relevant **Eligible Custodian**. Your protection may therefore be less, as if the person in whose name your investment is recorded defaults on its obligations, your investment may not be separately identifiable as yours. Accordingly it may be subject to other third party claims including claims by the general creditors of the defaulting person.

Additional Clauses

Agent as Client

Where you are acting as agent on behalf of an underlying client (whether disclosed to us or not) you represent warrant and undertake to us and PCI on a continuing basis that:

- You have full power and authority to instruct us on these terms;
- You have no reason to believe that any such underlying client will not be able to meet any settlement or other payment obligation under these terms;
- At the time you instruct us to undertake a transaction for such underlying client there are sufficient funds or assets under your authority to permit settlement and you will not subsequently execute transactions which could result in insufficient funds or assets being available;
- To your knowledge any transaction undertaken for any such underlying client will be its valid and binding obligation enforceable against it in accordance with its terms subject to bankruptcy and other applicable laws;

- You have no reason to consider that any such underlying client is or is likely to become insolvent;
- You have obtained and recorded evidence of the identity of any such underlying client or any underlying principal of such person in accordance with applicable laws and regulations (including without limitation anti money laundering regulations); and
- You will provide to us and PCI such information and written confirmations in relation to any such underlying client as we or PCI reasonably require to comply with all applicable laws and regulations.

You agree that PCI will treat you and not such underlying client as its client under the JFSC Rules and that you will be liable to [us and] PCI jointly and severally with any such underlying client in respect of all obligations and liabilities arising from such instructions.

Trustee as Client

Where you are acting as a Trustee on behalf of [XYZ Trust] (the 'Trust') we shall warrant to PCI that:

- We will only cause PCI to be obliged to settle any transaction where we have full management control and full authority to instruct use of sufficient of the assets or cash of the Trust to meet any obligation incurred by PCI on behalf of the Trust and that we have full authority to direct the custodian, if any, of the underlying customer's assets and cash to meet any obligations so incurred and that we have sufficient authority and consents to perform our obligations under these terms.
- We are not aware of any reason why the cash or assets of the Trust which are the subject of our management (as described above) could not be used to meet such obligations.
- We will not effect any transaction for the account of the Trust if we have any reason to believe that the Trustees of the Trust will not be willing or able to meet their obligations in respect of such transaction and will notify PCI as soon as reasonably practicable if we have any reason to believe that the Trustees will not be willing or able to meet their obligations in respect of any transaction; and
- We believe on reasonable enquiry and on reasonable ground that the Trustees of the Trust will have all requisite power and legal capacity to enter into any such transaction and to perform their obligations under these terms.

In your capacity as Trustees of the Trust you acknowledge and agree with PCI that:

- You will supply us with all relevant information of which you are aware in relation to the matters covered by our above warranties and you will not do anything to cause us to be in breach of our obligations as set out above.
- If you (or where you are more than one person any of you) become aware that any warranty given to PCI above has become untrue you will notify PCI and us in writing as soon as reasonably practicable on becoming so aware; and
- Your aggregate liability to us PCI and any other person under these terms shall be limited to the net value of the asset from time to time under your control in your capacity as the Trustees of the Trust say that this limitation shall not apply in respect of any liability to PCI for any breach of your obligations to PCI under this sub-clause.

Schedule 2

In conjunction with PCI, SFS will arrange for the following trading facilities to be made available on the Platform:

1. Permitted Instruments

- Equities
- Bonds
- Funds
- Unit trusts, open ended investment companies and collective investment schemes
- London Stock Exchange covered warrants
- Or such investments or portfolios from the time being made available on the Platform

Please note that the following types of investment are not permitted:

- Bearer stock in certificate form
- Japanese Bonds
- Crypto currencies
- Contracts for difference (CFDs)
- Any type of derivative contract
- Any investment types publicly banned by the JFSC or IOMFSA

SFS exclude any investments connected to sanctioned countries and may restrict certain industries and sectors on the Platform at its sole discretion and without notice.

Short selling and stock lending is not permitted.

2. Permitted Markets/Settle Depository and local market charges.

Country/Exchange	Currency	Local Charge per Movement ¹	Safe Custody Rate Basis Points pa ²
Australia	AUD	13	2
Austria	EUR	23	4
Belgium	EUR	11	2
Canada	CAD	9	4
Czech Republic	USD	31	16
Finland	EUR	12	4
France	EUR	7	2
Germany	EUR	7	2
Greece	EUR	20	6
Hong Kong	USD	14	3
Italy	EUR	10	2
Japan	JPY	560	2
Luxembourg – CBL (equity)	EUR	11	2
Netherlands	EUR	7	2
New Zealand	NZD	21	3
Norway	NOK	126	3
Portugal	EUR	16	6
Singapore	SGD	46	6
South Africa	ZAR	141	4
Spain	EUR	15	3
Sweden	SEK	56	3
Switzerland	CHF	28	3
UK/Ireland (no netting)	GBP	1.90	0
UK/Ireland – SETS (gross movements)*	GBP	0.3	0
UK/Ireland – SETS (net movements)*	GBP	1	0
CREST sponsored member (client-side)	GBP	3.20	0
USA	USD	6	0.5
Euroclear standard trades	EUR	4.75	3.5
Euroclear standard bonds	EUR	5.05	3.5
Euroclear bridge trades	EUR	6.3	3.5
Euroclear bridge bonds	EUR	6.25	3.5

¹ These charges are additional trade related charges specific to the market of settlement. A local market charge is levied for each movement at the local agent or depository, including trade alterations. These charges are levied in sterling and trade entry date close of business exchange rates are used where applicable.

² This charge is applied monthly using the stock market value of the holding at month end and applying a pro-rata basis points fee i.e., [stock market value of holding at month end x bps rate]/12 months.

3. Permitted Currencies

- AUD
- CAD
- CHF
- CZK
- DKK
- EUR
- GBP
- HKD
- JPY
- NOK
- NZD
- SEK
- SGD
- USD
- ZAR

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All deposit accounts opened with Santander Financial Services plc, Jersey Branch have situs in Jersey and therefore are not covered by the Financial Services Compensation Scheme established under the UK Financial Services and Markets Act 2000 or by the Isle of Man Depositors' Compensation Scheme. Santander Financial Services plc, Jersey Branch is a participant in the Jersey Bank Depositors Compensation Scheme. The Scheme offers protection for eligible deposits of up to £50,000. The maximum total amount of compensation is capped at £100,000,000 in any 5 year period. Full details of the Scheme and banking groups covered are available on the Government of Jersey website www.gov.je/dcs, or on request.

All deposit accounts opened with Santander Financial Services plc, Isle of Man Branch have situs in the Isle of Man and therefore eligible deposits are covered by the Isle of Man Depositors' Compensation Scheme as set out in the Isle of Man Depositors' Compensation Scheme Regulations 2010 and not covered by the UK Financial Services Compensation Scheme or by the Jersey Bank Depositors Compensation Scheme. Full details of the Scheme and banking groups covered are available at the Isle of Man regulator's website, www.iomfsa.im/consumers, or on request.

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