

# WESTMINSTER

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## ASSET MANAGEMENT

### Terms and Conditions

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## PART 1 GENERAL TERMS

### Introduction

These Terms and Conditions (“**Terms**”) are important because they contain legally binding obligations on you and form part of the Client Agreement between you and Westminster Asset Management. As a client, you should:

- read the Terms carefully and retain a copy;
- understand that by entering into the Client Agreement you agree to the commitments and the responsibilities set out within it and within the Terms;
- understand the scope of Westminster Asset Management’s services and the fees and costs associated with them;
- understand the risks associated with investment using the Services selected by you.

If you have any questions relating to Westminster Asset Management, the services offered or the Terms generally, you should contact your Professional Adviser or your normal contact at Westminster Asset Management.

**Important:** Where you have been introduced to Westminster Asset Management by your Professional Adviser you should carefully consider section A.4. and section D of these Terms, which describe the respective obligations of Westminster Asset Management and your Professional Adviser when providing their respective services to you.

The Terms are comprised of:

- General Terms, applicable to all Services
- Custody Terms, applicable to all Services, whether provided by TPS Offshore (Jersey) Limited (TPJ) or by Westminster Asset Management.
- Specific Terms for each of the individual Services
- Appendix
  - 1. Important Information (containing information on the nature of risks on investing)
- Annex
  - 1. Privacy Notice
  - 2. Risk Disclosure
  - 3. Summary of Conflicts of Interest Policy

In the event of any inconsistency or conflict between the various sections of these Terms, the Specific Terms shall take precedence, then the General Terms.

The Annexes are standalone and shall apply to every Service, for every client.

<b>Westminster Asset Management</b>	General Terms	Custody Terms	Specific Terms	Annexes
Discretionary Portfolio Services	✓	✓	Section D	✓
Dealing Service	✓	✓	Section D	✓
Financial Planning Service	✓	N/A	Section E	✓

<p><b>A. General Terms</b></p> <p><b>A.1. About Westminster Asset Management</b></p> <p>A.1.1 Westminster Asset Management is the trading name of Westminster Capital Limited. Westminster Capital Limited is authorised and regulated by the Jersey Financial Services Commission (“JFSC”) with firm registration number IB0253 for the conduct of investment business in Jersey. The JFSC can be contacted at PO Box 267, 14-18 Castle Street, St Helier, Jersey JE4 8TP (www.jerseyfsc.org and +44 1534 822000).</p> <p>A.1.2 Westminster Asset Management’s registered office is at 3<sup>rd</sup> Floor, Le Gallais Building, 54 Bath Street, St. Helier, JE2 4SU.</p> <p>A.1.3 The Services provided by Westminster Asset Management are set out in sections D and E of these Terms. The principal business activities of Westminster Asset Management are discretionary investment management, execution-only dealing and financial planning services for clients.</p> <p>A.1.4 Further information can be found at our website <a href="http://www.westminsteram.com">www.westminsteram.com</a>.</p> <p>A.1.5 The Client Agreement is provided in English and English will be the language of all communications between the client and Westminster Asset Management.</p> <p><b>A.2. Understanding these Terms</b></p> <p>A.2.1 In these Terms:</p> <p>(a) unless the context otherwise requires, words importing the singular will include the plural and vice versa and the masculine includes the feminine and neutral;</p> <p>(b) headings of parts and sections are for ease of reference only and do not affect interpretation; and</p> <p>(c) references to statutes, statutory instruments, rules or regulations are to such statutes, statutory instruments, rules or regulations as amended or replaced from time to time.</p> <p>A.2.2 In these Terms, the following words have the following meanings:</p> <p><b>“Account”</b> means an account maintained by us in the name of the client, which is used to hold cash and Investments.</p> <p><b>“Applicable Law”</b> means those laws, rules and regulations (including the Rules) applicable to Westminster Asset Management in relation to the provision of Services under the Client Agreement.</p>	<p><b>“Application Pack”</b> means the Westminster Asset Management application forms or pack completed by the client and the Professional Adviser (where applicable) seeking the provision of the Services described in the application pack and these Terms.</p> <p><b>“Approved Bank”</b> has the meaning given in the Rules.</p> <p><b>“Bribery and Corruption Legislation”</b> means the Corruption (Jersey) Law 2006 and the Bribery Act 2010.</p> <p><b>“Client Agreement”</b> means the Terms, the Application Pack, the Fee Schedule and such other documents expressly stated to form part of the Client Agreement, including any listed in the Specific Terms.</p> <p><b>“CDD”</b> means client due diligence</p> <p><b>“Client Money”</b> means money that a firm treats as client money in accordance with the Rules.</p> <p><b>“Client Money Rules”</b> means the client money rules set out in the Rules.</p> <p><b>“Collective Investment Scheme” or “CIS”</b> means any collective investment scheme within the meaning of paragraph 1 of Schedule 1 of the POI Law.</p> <p><b>“Conflicts of Interest Policy”</b> means the Westminster Asset Management conflicts of interest policy as amended from time to time.</p> <p><b>“DIM”</b> means the Westminster Asset Management discretionary investment management Service as described in section D.3.</p> <p><b>“DIM Portfolio”</b> means a portfolio of Investments offered by Westminster Asset Management through DIM.</p> <p><b>“Electronic Communications”</b> means any form of communication made by digital, text, email, messaging, internet or other technological device capable of making communication electronically.</p> <p><b>“Execution Only Dealing service”</b> has the meaning given in section D.5.</p> <p><b>“Fee Schedule”</b> means the fee schedule forming part of the Client Agreement (as amended from time to time in accordance with section A.8.16).</p>
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<b>“General Terms”</b>	Section A of these Terms, which applies to all clients of Westminster Asset Management.	<b>“Services”</b>	The services provided by Westminster Asset Management in accordance with these Terms, including each of the discretionary investment management service, the Execution-Only Dealing and the Financial Planning Service.
<b>“Instruction”</b>	means any communication from the client giving an instruction, consent or authorisation in relation to the Client Agreement.	<b>“Specific Terms”</b>	The terms and conditions which apply to each specific Service, as contained in Sections B to E of this document.
<b>“Investment Objective”</b>	means the client investment objective where set out in the Application Pack.	<b>“Suitability”</b>	means the regulatory obligation to ensure that advice or personal recommendations (including decisions to deal within a discretionary investment management service) are suitable having regard to the Investment Objectives, Risk Profile and circumstances of a client (including their relevant knowledge/experience, financial situation, ability to bear losses, and risk tolerance).
<b>“Investment”</b>	means the investments in relation to which Westminster Asset Management provides its services as described in section D.	<b>“Terms”</b>	together the General Terms, the Specific Terms and the Annexes.
<b>“Investment Services”</b>	means each of our discretionary investment management service and our Execution-Only Dealing service.	<b>“Trustee”</b>	means the trustee of a trust.
<b>“JFSC”</b>	means the Jersey Financial Services Commission and any successor regulator(s) in Jersey.	<b>“Westminster Asset Management”</b>	means Westminster Asset Management, which is the trading name of Westminster Capital Limited.
<b>“KYC”</b>	means ‘know your customer’ information; the basic CDD information and data that financial services companies must gather in order to meet anti-money laundering requirements and to understand clients and meet Suitability obligations.	<b>“Working Day”</b>	means any day excluding weekends and bank holidays when banks in Jersey are open for business.
<b>“Professional Adviser”</b>	means a person appointed by the client to provide the client with financial planning and advice services, which may include an affiliate.	<b>A.3. The Client Agreement and commencement of Services</b>	
<b>“Professional Client”</b>	means a client categorised as a Professional Client in accordance with section A.5.	A.3.1 These Terms (including the Appendices and Annexes) form part of the legally binding obligations between the client and Westminster Asset Management, which also include:	
<b>“Retail Client”</b>	means any client other than a client categorised as a Professional Client or an Eligible Counterparty (as defined in the Rules).	(a) the completed Application Pack relevant to the client;	
<b>“Risk Profile”</b>	means the risk profile of the client where set out in the Application Pack.	(b) the Fee Schedule detailing fees, charges, costs and expenses for the service; and	
<b>“Rules”</b>	means: 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, as amended or supplemented from time to time.	(c) such other documents listed in each of the Specific Terms expressly stated to form part of the Client Agreement (for example, financial planning terms, bespoke terms or terms specific to tax wrappers or products or Services),	
		together the <b>“Client Agreement”</b> .	
		A.3.2 These Terms come into effect from the date on which Westminster Asset Management commences provision of Services. Clients should be aware that Westminster Asset Management will not be able to commence the provision of Services until such time as a Client	

Agreement and any documentation (CDD/KYC) requested is in place.

A.3.3 Nothing in section A.3.2 affects any right of cancellation or withdrawal, which may apply to Services provided to the client (as more particularly described in section A.8.18).

#### **A.4. Relationships with Professional Advisers**

A.4.1 Westminster Asset Management accepts clients introduced to it by Professional Advisers subject to these Terms. Clients should be aware of the respective roles and responsibilities of Professional Advisers and Westminster Asset Management, which are described in these Terms.

A.4.2 Where the client is given general financial planning, advice and recommendations by a Professional Adviser, Westminster Asset Management does not provide such planning, advice or recommendations and has no duty to assess Suitability.

#### **A.5. Client categorisation**

A.5.1 Westminster Asset Management will provide its Services on the basis that clients are Retail Clients for the purposes of the Rules. Any different categorisation will be agreed with the client in writing.

A.5.2 These Terms apply to Retail Clients and Professional Clients. As a Retail Client, all the protections afforded to Retail Clients under the Rules will apply.

A.5.3 In certain circumstances clients may wish to seek in writing a different categorisation. Westminster Asset Management may agree to categorise Professional Clients as Retail Clients. Westminster Asset Management is not obliged to agree to such request and may decline to act. Also, even if Westminster Asset Management agrees to categorise a client as a Professional Client it may, on its own initiative re-categorise the Professional Client as a Retail Client by notice in writing.

#### **A.6. Dealing**

A.6.1 Subject to these Terms, Westminster Asset Management will carry out transactions in Investments on such terms as it thinks fit and in accordance with market practice. Westminster Asset Management may carry out transactions with or through third parties, including affiliates, and may:

- (a) be required to give representations and warranties to counterparties and exchanges on behalf of the client;
- (b) enter into such terms and conditions, agreements, arrangements or other documentation as it thinks fit which may be legally binding on the client; and

- (c) take such steps as deemed necessary or desirable in order to carry out transactions and facilitate the settlement of transactions in accordance with good market practice.

A.6.2 Westminster Asset Management will deal in the following investments:

- (a) shares (equities) in UK or overseas companies;
- (b) debentures, loan stock, certificates of deposit, bonds, notes, commercial paper and other government, public or corporate debt securities;
- (c) warrants to subscribe for investments falling under (a) or (b) above;
- (d) depositary receipts or other types of investment relating to investments falling under (a) to (c) above;
- (e) unit trusts, open ended investment companies, mutual funds and other Collective Investment Schemes in the UK or overseas, including hedge funds, investment trusts, other closed-ended schemes and alternative investments (any of which may employ gearing or other forms of leverage);
- (f) commodities;
- (g) structured deposits;
- (h) derivatives.

A.6.3 In relation to derivatives, Westminster Asset Management:

- (a) will not invest in any derivative involving an uncovered contingent liability;
- (b) will not purchase or otherwise deal in off-exchange derivatives, other than foreign exchange (FX) derivatives, on the client's behalf; and
- (c) will, where we think appropriate (and subject to your Investment Objectives and Risk Profile) deal in derivatives on your behalf on a recognised or designated investment exchange.

**Your attention is drawn to the Risk Disclosures in Annex 2 of these Terms.**

A.6.4 The following investments or services are not provided by Westminster Asset Management:

- (a) short selling (sales of investments by a client which are not actually owned by the client);
- (b) stop loss or stop market trading;

- (c) underwriting;
  - (d) stock lending; or
  - (e) insurance mediation activity.
- A.6.5 Westminster Asset Management will use reasonable steps to achieve the best possible result when carrying out transactions for clients.
- A.6.6 When deciding where to execute transactions, the factors Westminster Asset Management will take into account include:
- (a) price at which the Investment can be bought or sold;
  - (b) timeliness of execution;
  - (c) likelihood of execution and settlement; and
  - (d) overall cost of execution.
- A.6.7 Westminster Asset Management carries out client Instructions to deal (and effects decisions to deal made by it when providing discretionary investment management services) through intermediaries including retail service providers, market makers, direct market access and through other counterparties. Westminster Asset Management will use reasonable endeavours to regularly monitor and assess the ability of intermediaries to provide clients with best execution.
- A.6.8 As part of its approach to achieving best execution, Westminster Asset Management may execute transactions in Investments outside of a regulated market or a multilateral trading facility where it thinks fit.
- A.6.9 Clients may give Instructions as to the venue for execution of an order. The client will be solely responsible for the choice of execution venue in such case.
- A.6.10 In certain circumstances, where Westminster Asset Management reasonably considers that it is likely to operate in the best interests of clients, orders and decisions to deal in Investments may be aggregated. Westminster Asset Management will only aggregate transactions in accordance with the Rules. It is possible that aggregation may work to the advantage or disadvantage of the client in certain circumstances.
- A.6.11 Westminster Asset Management does not offer a foreign exchange dealing service. Where payments are requested in a currency other than the currency in which the client portfolio is held it may be necessary to carry out a foreign exchange transaction. Foreign exchange rates vary and may affect the outcome of transactions to a significant extent (both in favour of and to the detriment of the client).
- A.7. Financial Crime Prevention and Client Identity Verification**
- A.7.1 Westminster Asset Management is required by law to implement controls to counter the risk of financial crime, including the criminal facilitation of tax evasion. The identity of all clients, any beneficial owners and certain associated parties (where applicable) must be verified prior to the establishment of a business relationship. By entering into a Client Agreement, you consent to these checks being undertaken and confirm that any beneficial owners or associated parties also consent to them. If we cannot verify an identity electronically, certified copies of identification documents may be required.
- A.7.2 As part of the due diligence and KYC process, we assess the purpose and intended nature of the proposed business relationship and may request information necessary to establish the legitimacy of your source of wealth and source of funds. We may need to contact you to request additional information and/or documentation, which may result in a delay in the provision of our Services to you.
- A.7.3 In certain circumstances, including but not limited to where we identify that you, your spouse, a close family member or a close business associate, is 'politically exposed', we will apply enhanced due diligence measures which may include additional verification checks, media searches and obtaining further evidence of the source of wealth or income.
- A.7.4 All regulated firms are required to keep client information up to date: we hereby reserve the right to request additional information and/or documentation as part of our ongoing monitoring of the relationship. A range of trigger events, such as a request to expand the business relationship, change of address, appointment of a new relevant associated party (e.g. trustee, director, shareholder) will prompt Westminster Asset Management to seek appropriate evidence.
- A.7.5 We reserve the right to delay processing any Instruction and/or withhold any payments due to you in respect of your Investments, until evidence, we deem to be satisfactory is received. Any cash may be held in a non-interest-bearing client money account. We will not be held liable for any loss suffered as a result of any delay while completing the client due diligence process in line with statutory and regulatory requirements.
- A.7.6 We will not make any payments to third parties unless required to do so by applicable law and regulation, or where we otherwise agree.
- A.8. Other General Terms and Conditions**
- A.8.1 Instructions
- (a) Clients may give Instructions by the following methods:

- (i) orally (face to face) or by telephone;
- (ii) by using Electronic Communications;
- (iii) in writing.

(b) Where clients have authorised Professional Advisers to provide Instructions on behalf of the client, Westminster Asset Management will accept Instructions from Professional Advisers through the same methods.

#### A.8.2 Limitation on instructions

Instructions provided by the methods set out in section A.8.1 above are subject to the following important limitations and conditions. Clients should consider them carefully:

- (a) Westminster Asset Management will not make payments to third parties except that Instructions to transfer between Accounts belonging to spouses may be given by email where explicitly confirmed by the client in the Application Pack);
- (b) Instructions by telephone will not be accepted other than on Westminster Asset Management telephone lines;
- (c) Westminster Asset Management will act on Instructions received between 8.30am and 5.00pm on a Working Day as soon as practicable that Working Day. Where Instructions are received outside of these hours Westminster Asset Management will act on them as soon as practicable during the next Working Day;
- (d) the client accepts and acknowledges that Electronic Communications are at risk of interruption and/or delay and that Electronic Communication should not be regarded as a secure method of delivery;
- (e) where Instructions given orally or by Electronic Communication are directed at a specific person and that person is not present to receive them there may be a delay in acting on such Instructions until actual receipt by such person; and
- (f) Westminster Asset Management may make a request for an Instruction provided by one of the methods above to be provided by another method (usually in writing), in which case, such Instruction is only valid when provided in accordance with that request.

#### A.8.3 Verification of Instructions

Where Westminster Asset Management receives and acts on Instructions it does so in the reasonable belief

that such Instructions come from the client or such other person as is authorised to provide Instructions. Westminster Asset Management will not undertake any verification of the provider of Instructions (unless a verification procedure, such as password or security check has been expressly agreed in advance with the client) but will act reasonably and in good faith at all times.

#### A.8.4 Acting on Instructions

Westminster Asset Management will normally acknowledge Instructions by acting upon them. Westminster Asset Management is not obliged to act on Instructions in the following circumstances:

- (a) if Westminster Asset Management suspects that an Instruction has not been given by the client or some other person authorised to act on behalf of the client or Westminster Asset Management has some other doubts or concerns as to the veracity of Instructions pursuant to section A.8.1(a);
- (b) if it reasonably believes that doing so could constitute a breach of Applicable Law;
- (c) where the Instruction is unclear or incomplete or otherwise incapable of being acted upon; or
- (d) where there is a risk that acting upon such Instructions could cause Westminster Asset Management to breach an obligation under the Client Agreement or otherwise cause loss or damage to Westminster Asset Management.

Westminster Asset Management will not be liable for any loss or expense (or loss of opportunity to gain) incurred if we refuse to act on Instructions pursuant to this section.

#### A.8.5 Communicating with Westminster Asset Management

- (a) For normal communications other than Instructions, clients should contact their Professional Adviser or their normal contact at Westminster Asset Management.
- (b) Westminster Asset Management will communicate with clients (or the client's Professional Adviser) using the contact details provided by the client in the Application Pack by Electronic Communication, fax, telephone or face to face unless the client and Westminster Asset Management expressly agree in writing that some other method of communication will apply.
- (c) All communications sent by Westminster Asset Management shall be deemed to be received by you two Working Days after posting if sent by first class pre-paid post to addresses within the



UK or seven Working Days after posting if sent by airport post addressed outside the UK.

#### A.8.6 Conflicts and material interests

- (a) Westminster Asset Management provides a range of financial services and it is possible that it or any affiliates may at times have interests, which conflict with clients. Notwithstanding this, Westminster Asset Management has in place a Conflicts of Interest Policy and conflict identification and management procedures in order to seek to ensure that clients are treated fairly. The Conflicts of Interest Policy is a summary of these policies and procedures and forms part of the Client Agreement.
- (b) The Conflicts of Interest Policy is an important disclosure and is kept under regular review. For this reason, it is set out in a separate document, which forms part of the Client Agreement. Clients are required to confirm receipt of the Conflicts of Interest Policy in the Application Pack. Clients can ask for a new copy at any time or access the Conflicts of Interest Policy through [www.westminsteram.com](http://www.westminsteram.com).

#### A.8.7 Fees, charges and interest

- (a) Westminster Asset Management standard fees, charges and expenses are set out in the Fee Schedule, a copy of which is provided with the Client Agreement. If no copy is received, clients should request a copy.
- (b) By signing the Client Agreement, you agree to pay us our fees as set out in the Fee Schedule or as otherwise agreed.
- (c) Westminster Asset Management may amend the Fee Schedule from time to time in accordance with the notice provisions set out in section A.8.18.
- (d) Westminster Asset Management will facilitate the payment of Professional Adviser's fees, costs and expenses where expressly agreed to by the client in the Application Pack. The client authorises the deduction of Professional Adviser fees, costs and charges on the basis set out in the Application Pack. Westminster Asset Management does not set Professional Adviser fees, costs and charges.
- (e) Other services may be chargeable in accordance with the Fee Schedule. Clients are requested to seek clarification in the event of any doubt as to the applicable fees, charges and expenses.
- (f) Fees will become due and payable as follows:

- (i) late payment of fees, charges or expenses due to Westminster Asset Management will attract interest charges at a daily rate of 2% above the base lending rate of The Bank of England;

- (ii) the client acknowledges that Westminster Asset Management will be entitled to deduct cash from the client's Account in consideration of fees, which are due to Westminster Asset Management and the Professional Adviser (if applicable). Where the client's Account does not hold sufficient cash to pay fees, Westminster Asset Management will be entitled to sell Investments to the extent necessary to cover outstanding amounts due.

#### A.8.8 Client obligations and responsibilities

- (a) As the client will be legally bound by the terms in the Client Agreement, it is important on entering into the Client Agreement and on a continuing basis that clients undertake that:

- (i) they have the required power, authority and ability to enter into the Client Agreement and perform the obligations contained in it;

- (ii) the Services are services which the client is willing and able to retain; and

- (iii) all information provided in the Client Agreement and as part of the application process is true and accurate.

- (b) Any Investments transferred to an Account(s) will be free and clear of charges and encumbrances, unless agreed otherwise, and are within the client's legal or beneficial ownership.

- (c) Any changes to information provided (including change of name, address or Professional Adviser) or the circumstances (including financial circumstances, investment objectives or attitude to risk) will be promptly notified to Westminster Asset Management.

- (d) Where the client provides Instructions pursuant to these Terms and otherwise in respect of the ongoing performance of the Client Agreement, the client undertakes that:

- (i) (save in respect of Trustees or Attorneys) Instructions are provided as principal and not as trustee or agent;

- (ii) no charge or other encumbrance over Investments or Accounts exists or will be created (unless expressly agreed in writing to the contrary); and

- (iii) the giving of Instructions will comply with Applicable Law and these Terms.
- (e) Where the client is a Trustee or Attorney, the client further undertakes that:
  - (i) the relevant trust or other document under which the client enters into the Client Agreement expressly permits the appointment of a provider of the Services;
  - (ii) there is no restriction on the scope of the Services, investment objectives, risk profile, jurisdiction of Investments, nature of issuer of securities or any other restriction which would prevent the exercise of full discretionary authority or otherwise restrict the scope of the Services provided by Westminster Asset Management;
  - (iii) the investment objectives and restrictions contained in the Client Agreement are within the authority of the Trustee or Attorney under the relevant trust or authority;
  - (iv) the client has full power and authority to deal with the Investments as if the client was the beneficial owner of the Investments and Westminster Asset Management is entitled to treat Instructions from the client as if that were the case.

appointed by us in connection with the provision of the Services and/or the performance of our obligations under the agreement);

- (b) your adviser and any other agent you have appointed and told us about in writing;
- (c) the JFSC or any other regulatory authority or body or third party, to the extent they are entitled to the information sought and have a legitimate reason to see such information or where a failure to do so would expose us to a material risk or potential criminal or civil liability in that jurisdiction; and
- (d) as may be otherwise required by Applicable Laws, Regulations or the Rules.

#### A.8.11 Delegation

- (a) Westminster Asset Management may delegate the performance of certain parts of the Services to third parties, including affiliates.
- (b) Westminster Asset Management will not delegate investment management provided under any of its Services to any third party. If Westminster Asset Management were to propose to delegate investment management, 30 days' notice would be provided.
- (c) Where delegates are appointed, Westminster Asset Management will use reasonable skill, care and diligence in its selection, use and monitoring of such third parties but such obligation will not give rise to any liability to Westminster Asset Management unless such liability has arisen directly as a result of fraud, negligence or wilful default on the part of Westminster Asset Management. This section does not affect Westminster Asset Management's liability for the acts or omissions of its nominee.

#### A.8.9 Data protection

The client acknowledges that Westminster Asset Management may process information (including personal data) about the client, obtained from the client and/or other sources such as fraud prevention agencies, in order to provide the Services or as otherwise set out in the privacy notice that will be provided in Annex 1 alongside these Terms, as amended from time to time by Westminster Asset Management (the "Privacy Notice"). By signing a Client Agreement, the client confirms that it has read and understood the Privacy Notice.

#### A.8.10 Confidentiality

Westminster Asset Management will use reasonable endeavours to ensure that all confidential information relating to you and your Account is kept confidential. We may reveal confidential information or personal information (including personal data as defined in Annex 1) we hold about you and your accounts to:

- (a) our employees (or employees of our agents, including without limitation our appointed or any other nominee, any eligible custodians, our auditors, our legal advisers or other persons

#### A.8.12 Complaints and compensation

- (a) Any complaint relating to the Services or the Client Agreement should be directed to the Compliance Officer, First Floor, International Finance Centre 5, The Esplanade, St Helier, Jersey, JE2 3BY (or via [www.westminsteram.com](http://www.westminsteram.com)). A written copy of the Westminster Asset Management complaints handling procedures is available on request. If, after Westminster Asset Management has had a reasonable opportunity to deal with a complaint, the client considers that it has not been dealt with satisfactorily the client may be entitled to complain directly to the Channel Islands Financial Ombudsman ("CIFO"). The CIFO may be contacted on +44 1534 748610 or at [www.ci.fo.org](http://www.ci.fo.org). The address of the CIFO is PO Box 114, Jersey, Channel Islands, JE4 9QG.

- (b) Should the client decide to refer a complaint to the CIFO, please check the CIFO website to determine eligibility.
- (c) Westminster Asset Management maintains professional indemnity insurance to reflect the nature and scale of its business in accordance with the Codes of Practice for Investment Business.

#### A.8.13 Joint Accounts, Trust Accounts and Connected Accounts

- (a) Westminster Asset Management offers joint accounts and accounts for trusts. Where there is more than one party to the Client Agreement, the Account is operated on the following basis:
  - (i) each Account holder is jointly and severally liable, meaning that the actions of one Account holder will impact all Account holders as all Account holders are deemed equally entitled to assets and responsible for liabilities. If one Account holder were to default on its obligations in any respect Westminster Asset Management is entitled to look to any other Account holder(s) for the same liability in full;
  - (ii) any Account holder can give Westminster Asset Management instructions without Westminster Asset Management needing to verify the instructions with the other Account holder(s). Such instructions may include instructions to deal, transfer money or Investments, give notices, make requests or acknowledge receipts or do any other thing in relation to the Account or the performance of the Client Agreement;
  - (iii) if Westminster Asset Management is aware of an actual or potential dispute between Account holders it may request the instructions of all Account holders;
  - (iv) if an Account holder dies the Client Agreement remains in force and Westminster Asset Management will continue to treat the surviving Account holder(s) as the person(s) entitled to the Account.
- (b) A client (whether a Joint Account holder or Trustee) may give an instruction to open a new Account in respect of an identical service. Westminster Asset Management will be entitled to assume that the CDD, Investment Objectives and Risk Profile are the same as the existing Account and carry out its services in accordance with these Terms without requiring a new Application Pack from the client(s).

#### A.8.14 Circumstances on death

- (a) Following the death of a client, Westminster Asset Management will need to receive notification as soon as possible. Westminster Asset Management requires official evidence of registration of death such as a registrar's certified copy of the death certificate.
- (b) On the death of a client who is the holder of a Joint Account, the Client Agreement will remain in force and the surviving client(s) of the Joint Account will continue as the only person(s) with entitlement to the Account.
- (c) On the death of a single client Account holder, Westminster Asset Management will follow the explicit instructions of the client as set out in the Application Pack until such time as Westminster Asset Management is satisfied that personal representatives have been properly appointed and appropriate indemnities are provided for any action undertaken on the instructions of any such person.
- (d) If, within one year after the date of death, no instructions have been provided in relation to the future of the Account Westminster Asset Management may consider that the Account should be closed and notify the personal representatives (or equivalent) of proposals to liquidate Investments and return the money held in cash. Westminster Asset Management will consider requests for transfer of assets and in all cases, the client's estate will be responsible for the costs incurred in such closure, transfer or otherwise following the instructions of the relevant persons.

#### A.8.15 Research

- (a) Where Westminster Asset Management provides research to clients it is provided for information only and should not be construed in any circumstances as an offer to sell or solicitation of any offer to buy any security or other financial instrument.
- (b) Whilst every effort is made to ensure that information is accurate and not misleading at the time of publication, Westminster Asset Management makes no representation about its accuracy or completeness thereafter. Opinions expressed are the current opinions of Westminster Asset Management at the date the research appears only and will be based on assumptions that we consider appropriate at the time. Westminster Asset Management expressed opinion is not a representation that an event will or is likely to occur. We endeavour to update the content of reports on a timely basis,

but regulatory compliance or other reasons may prevent us from doing so.

- (c) Any third-party research provided to the client is obtained from sources that we believe to be reliable but cannot be guaranteed. Westminster Asset Management makes no guarantee, representation or warranty and accepts no responsibility or liability as to the accuracy or completeness of third-party research.
- (d) Any research provided to the client does not take into account the client's particular investment objectives, financial situation or needs. As such, all research should be viewed in the context of your particular circumstances and, if necessary, you should seek professional advice.
- (e) Any specific disclaimers and disclosures attached to individual research pieces should be read in conjunction with these Terms.
- (f) Any non-impartial research (research that is exposed to a potential conflict of interest) produced by Westminster Asset Management will state this fact in the supporting disclaimer, specifically highlighting that it is not an objective piece of research. All other research is classified as impartial as there is no conflict of interest in its production.

- (i) changes in Applicable Laws;
- (ii) changes in market practice relating to the dealing, safekeeping and custody of assets;
- (iii) changes in the way that Westminster Asset Management provides its Services through its affiliates or through third parties; and
- (iv) changes in technology and the way in which instructions, including Electronic Communications are given and received.

- (d) Clients may request amendments to the Client Agreement at any time. Such amendments will only take effect when Westminster Asset Management confirms its agreement in writing.
- (e) This section A.8.16 describes amendments to the Terms. Clients should note that changes may occur to Services or Westminster Asset Management may exercise rights, which it has reserved to itself under the Client Agreement in accordance with those rights. Exercise of such rights is not an amendment to the Terms.

#### A.8.17 Westminster Asset Management's liability and responsibility

#### A.8.16 Amendments

- (a) Westminster Asset Management may amend these Terms where it has a valid reason for doing so.
- (b) Notification of amendments will be provided in writing and changes will take effect on the date provided in the notice, which will be not less than 30 calendar days after the notice has been sent (unless the Rules or Applicable Law dictate a shorter period). Clients will not normally be required to sign new agreements or consent to proposed amendments, which will take effect as described above, but Westminster Asset Management may require consent in certain circumstances. Where such amendments are made which relate only to the provision of information, administrative correction, and typographical error correction or for any other reason, which has no prejudicial impact on the client, Westminster Asset Management may provide notice of such amendment at [www.westminsteram.com](http://www.westminsteram.com) provided that the client has consented to the website conditions section of the Application Pack.
- (c) In the context of the provision of the Services, valid reasons to amend these Terms are likely to include:

- (a) Westminster Asset Management will perform the Services and comply with its obligations under the Client Agreement and Applicable Law to the level of skill and care as would reasonably be expected of a professional provider of the Services.
- (b) Westminster Asset Management will not accept responsibility for acts, omissions or any liabilities arising to the client other than in circumstances of its negligence, fraud or wilful default.
- (c) Westminster Asset Management will not be responsible for any liabilities arising because of any circumstance outside of its reasonable control. Such circumstances may include, but are not limited to, changes in Applicable Law, governmental, regulatory or judicial changes, currency restrictions, acts of God, civil unrest, war, terrorism, strikes, lock-outs, industrial disputes, breakdown in market systems or infrastructure (including of trading, clearing house, market participant or counterparty), failure, breakdown or disruption of Electronic Communications or other communications or computer service.
- (d) Westminster Asset Management cannot accept responsibility for the acts, omissions or default of third-party service providers such as nominees, custodians, brokers, agents, market systems or

central counterparties. Westminster Asset Management will use reasonable skill, care and diligence in its selection, use and monitoring of such third parties but such obligation will not give rise to any liability to Westminster Asset Management unless such liability has arisen directly as a result of fraud, negligence or wilful default on the part of Westminster Asset Management.

(e) Westminster Asset Management does not accept responsibility for and will not be liable for:

(i) liability arising because of actions taken by Westminster Asset Management which, in its opinion, were necessary to comply with Applicable Law;

(ii) loss of business, loss of profit, or loss of opportunity to gain from some other investment;

(iii) liabilities incurred in relation to matters of which Westminster Asset Management was not fully aware or could not reasonably have expected when undertaking Services for the client; or

(iv) indirect losses or consequential losses whether or not attention was drawn to the possibility of such liabilities being incurred.

(f) The rights, duties and obligations of Westminster Asset Management set out in the Client Agreement are not intended to create or expand any fiduciary duties owed between client and investment manager and neither Westminster Asset Management nor its affiliates accept responsibility for duties other than those expressly set out in the Client Agreement.

(g) Nothing in section A.8.17 is intended to exclude or limit the duties, responsibilities or liabilities owed to clients by Westminster Asset Management under Applicable Law and Westminster Asset Management will not seek to exclude or restrict or rely on any exclusion or restriction here if to do so would contravene its obligations under Applicable Law and the Rules.

#### A.8.18 Termination

(a) The Client Agreement may be terminated immediately by the client on giving written notice.

(b) Westminster Asset Management may terminate the Client Agreement with 30 days' written notice.

(c) Termination will not affect existing transactions, which will proceed as per the Instructions provided or the decision to deal by Westminster Asset Management.

(d) Termination shall not affect any outstanding or accrued fees, charges, costs and expenses owing to Westminster Asset Management up to the date of termination.

(e) Westminster Asset Management will provide reasonable assistance to terminating clients in the event that they wish to transfer Investments or cash to third parties.

#### A.8.19 Bribery and Corruption Legislation

(a) Westminster Asset Management has in place procedures to comply with the Bribery and Corruption Legislation, as amended from time to time.

(b) Westminster Asset Management treats accusations of bribery and corruption with the utmost seriousness and will act accordingly.

#### A.8.21 Assignment

(a) These Terms are personal to the client and clients may not transfer or assign rights and obligations to any third party without the prior written consent of Westminster Asset Management.

(b) Westminster Asset Management may assign its rights and obligations to any affiliate or to any successor business, providing services similar to the Services, provided that such assignee has in place all such licences required by Applicable Law for the performance of those services.

#### A.8.22 Rights of third parties

A person who is not a party to the Client Agreement will not have any rights to enforce its terms save for our agents, nominees and affiliates only.

#### A.8.23 No waiver

(a) From time to time Westminster Asset Management may offer clients flexibility in the performance of client obligations under the Client Agreement. The provision of such flexibility including any failure or delay by Westminster Asset Management to enforce its rights or exercise the legal remedies available to it under the Client Agreement or the law generally will not mean that it is waiving its rights to do so at any time or in the future.

(b) If Westminster Asset Management exercises its rights or remedies in part such limited exercise

will not restrict it from the full exercise of such rights or remedies under the Client Agreement or under the general law.

#### A.8.24 Severability

In the event that a court deems a provision or any part of a provision of the Client Agreement to be invalid, illegal or otherwise unenforceable, such provision or part of a provision will have no effect and to the extent required, be deemed not to have been included in the Client Agreement. The validity of the remaining provisions or parts of provisions of the Client Agreement will be unaffected.

#### A.8.25 Governing law and jurisdiction

- (a) The Client Agreement, the obligations arising under it and the circumstances in which it was established will be governed by and construed in accordance with Jersey law.
- (b) The client agrees that the Jersey courts will have exclusive jurisdiction to settle any disputes arising out of or in connection with the Client Agreement and the client further irrevocably agrees to submit to the exclusive jurisdiction of the Jersey courts and not to bring proceedings in any other jurisdiction.

## PART 2 SERVICE TERMS

the formation of a contract between you and ourselves and also between you and TPJ;

### **B Custody and Client Money - TPS Offshore (Jersey) Limited**

Custody may be provided through a triparty agreement with TPS Offshore (Jersey) Limited and/or may be provided directly with Westminster Asset Management.

The provisions of Part 2 B shall be applicable (but not Part 2 C) where custody is provided by TPS Offshore (Jersey) Limited and the provisions of Part 2 C shall be applicable (but not Part 2 B) where custody is provided by Westminster Asset Management.

In the event that custody is provided by both TPS (Offshore) Jersey Limited and Westminster Asset Management, the provisions of Part 2 B and C shall be applicable.

### **B.1. Relationship With TPS Offshore (Jersey) Limited**

1.1 We have entered into an agreement (Agreement) with TPS Offshore (Jersey) Limited, (TPJ), on behalf of ourselves and each of our clients whereby TPJ has agreed to provide clearing and settlement, safe custody and associated services for our clients who are subject to this agreement. TPJ may also provide additional services such as investment dealing services as we may from time to time agree with TPJ.

1.2 TPJ is a company registered in Jersey, with company number 131365 and its registered office at Whiteley Chambers, Don Street, St Helier, Jersey, JE2 4TR. TPJ is a subsidiary of Third Platform Services Limited (Third Platform Services), with company number 09588254 and its registered office at 17 Neal's Yard, London, WC2H 9DP. Third Platform Services is authorised and regulated under register number 717915 by the Financial Conduct Authority (FCA) which is at 12 Endeavour Square, London E20 1JN and is a member of the London Stock Exchange.

1.3 The current terms and conditions of TPJ and the principal terms of the Agreement with them as it applies to our clients, including you, are set out or summarised below.

1.4 In consideration of TPJ making their services available to you, you agree that:

1.4.1 we are authorised to enter into the Agreement on your behalf as your agent and that you are bound by the terms of the Agreement as summarised in this Schedule which constitute

1.4.2 we are authorised to give instructions (as provided for in our terms of business (**Terms**) and the Agreement) and provide information concerning you to TPJ and TPJ shall be entitled to rely on any such instructions or information without further enquiry;

1.4.3 TPJ is authorised to hold cash and investments on your behalf and is authorised to transfer cash or investments from your account to meet your settlement or other obligations to TPJ.

1.5 TPJ neither provides investment advice nor gives advice or offers any opinion regarding the suitability or appropriateness (as appropriate) of any transaction or order and relies on information provided to it by us in respect of all such matters. In the same way we are not responsible for TPJ's actions, omissions or any obligation they may owe you.

### **B2. Categorisation And Capacity**

2.1 TPJ shall (unless otherwise separately notified to you by them) adopt the same client categorisation in relation to you as that determined by us and rely on information provided to them by us as to that categorisation.

2.2 The following provisions shall apply to you if you fall within the categories specified below:

2.2.1 joint account holders shall be jointly and severally liable to TPJ and TPJ may discharge its obligations to make any payment or account to all such holders by making such payment or account to any one or more of them;

2.2.2 the trustees of any trust shall be regarded as TPJ's client (as opposed to any beneficiary) and shall be jointly and severally liable to TPJ; and

2.2.3 all the partners of any partnership which is TPJ's client shall be jointly and severally liable to TPJ.

2.3 Where you are acting as agent on behalf of another (whether disclosed to us or not) you will be, and at all times remain, liable to TPJ as principal in relation to any bargains which are to be performed under the terms set out in this Schedule and TPJ will treat you as its client. You agree that you will be liable to TPJ jointly and severally with any such underlying person in respect of all obligations and liabilities arising from instructions given to TPJ.

### **B3. Client Accounts**

3.1 TPJ shall open and maintain one or more account(s) on its books in connection with the services to be provided by TPJ under the terms set out in this Schedule. Any cash and investments delivered by you or held for your account shall be recorded in such account(s).

### **B4. Communication And Instructions**

4.1 TPJ shall only accept instructions concerning your account(s) from us and not directly from you, unless a separate specific agreement has been entered into relating to the giving of instructions, including such further mandate and/or indemnities as TPJ may require. In the absence of actual notice in writing to the contrary received from us in sufficient time to prevent the processing of any instructions, TPJ shall be entitled to rely upon and act in accordance with any instruction which TPJ believes in good faith to have been given by us and our agents on your behalf. TPJ reserves the right to take such action as it considers appropriate in the event that it has sought instructions from us and we have failed to respond within a reasonable time. TPJ will not be responsible for any delays or inaccuracies in the transmission of any instructions or other information due to any cause outside TPJ's reasonable control.

4.2 TPJ may, in its absolute discretion, refuse to accept any order or other instruction for your account(s). TPJ will advise us of its decision and may advise us of the reason for its decision unless prevented from doing so by law, Court order or instruction by the Jersey Financial Services Commission (**JFSC**) or other competent regulatory body.

4.3 You should direct all enquiries regarding your account to us and not to TPJ.

4.4 Any communications (whether written, oral, electronic or otherwise) between you, us and/or TPJ shall be in English.

### **B5. Dealing**

5.1 TPJ will be responsible for executing bargains as instructed by us on your behalf.

5.2 For this purpose we, rather than you, shall be TPJ's client. If TPJ provides dealing services for your account and in doing so executes a transaction on your behalf the following provisions shall apply:

5.2.1 all such bargains shall be executed by TPJ subject to applicable regulatory rules and guidance (**Rules**) and the rules of any relevant exchange, market or other execution venue;

5.2.2 instructions from us in relation to such bargains will be regarded by TPJ as specific instructions from you;

5.2.3 bargains will be conducted in accordance with TPJ's execution policy as amended from time to time, details of which are available at the following web address – [thirdfin.com](http://thirdfin.com) - including the possibility that it will execute some bargains otherwise than on an exchange, market or other execution venue within the European Economic Area (**EEA**);

5.2.4 TPJ may combine orders that are received for your account with orders that are received for the accounts of its other clients or with its own orders. You acknowledge that aggregation of such orders may operate on some occasions to your advantage and on some occasions to your disadvantage;

5.2.5 TPJ may aggregate any order with its own orders, orders of connected persons and orders of other customers and clients. TPJ will only aggregate orders if the following conditions are met: that it would be unlikely that the aggregation of orders and transactions will work overall to the disadvantage of any client whose order is to be aggregated; and that TPJ will disclose to each client whose order is to be aggregated that the effect of aggregation may work to its



disadvantage in relation to a particular order; and that an order allocation policy will be established and effectively implemented. This disclosure is taken as compliance with that requirement;

5.2.6 following the execution of any bargains by TPJ we will, unless you have otherwise instructed us, send a contract note or advice to you. The terms of any contract note shall be conclusive as to any matter contained or provided in such note unless TPJ is notified in writing by us forthwith or, in any event, prior to the settlement date for such transaction.

## **B6. Settlement Of Transactions**

- 6.1 All bargains will be due for settlement in accordance with the terms of the relevant contract note or advice. You undertake to ensure that all investments and other documents of title and/or transfer forms that are required and or/any relevant cash balance are delivered, transferred or paid to TPJ (or to TPJ's order) in sufficient time on or before the contractual settlement date to enable TPJ to settle the transaction and that all cash and investments held by, or transferred to TPJ will be and remain free from any lien, charge or encumbrance. All payments due to TPJ will be made without set-off, counterclaim or deduction.
- 6.2 You acknowledge that in settling bargains on your behalf, TPJ is acting as agent on your behalf and that TPJ will not be responsible for any default or failure on the part of any counterparty to a transaction or of any depository or transfer agent and delivery or payment will be at your entire risk.
- 6.3 You acknowledge that you shall not have any rights in respect of any cash or investments that are due to be received pursuant to a transaction and that TPJ shall have no obligation to account to you for any such cash or investments until you have performed your obligations in relation to such bargains and TPJ, as your agent, has been able to settle the transaction. TPJ shall, without further notice to you, be entitled to sell or otherwise dispose of any such investments and apply any proceeds or any such cash received by TPJ under a relevant settlement in discharge or reduction of any of your obligations in relation to such bargains.

6.4 All bargains will be settled in accordance with:

- 6.4.1 the rules, customs and practices of the exchange, market or other execution venue on which the bargain was executed and their related clearing house, clearing system or depository; and
- 6.4.2 the terms of any applicable agent or custodian employed by TPJ, including but not limited to, any right of reversal of any bargain (including any delivery or redelivery of any investment and any payment) on the part of any such entity or person.

## **B7. Custody**

7.1 TPJ will register your investments either:

- 7.1.1 in an account designated with your name, if this has been requested by us; or
- 7.1.2 in the name of our nominee or a custodian nominated by TPJ (which may be TPJ's own nominee).

7.2 All investments held in custody will be pooled and allocated between clients. Accordingly, individual entitlements may not be identifiable by separate certificates, documents of title or entries on the issuer's register. In the event of an irreconcilable shortfall following a default by any custodian or any third party holding or delivering clients' investments, you may not receive your full entitlement and may share in any shortfall on a pro rata basis.

7.3 TPJ will be responsible for receiving and claiming dividends and interest payments to be credited to you. TPJ will also credit any trail, renewal or similar commission it receives for your account. All dividends, interest and commission credited to your account or paid to you will be net of any withholding tax and other deductions required to be made by TPJ and/or the payee in accordance with applicable legal or regulatory requirements. TPJ will provide details of all such deductions required to be made by it and will pass on such information in relation to such deductions by others as it may receive. We will be responsible for any costs and expenses TPJ may incur in receiving and claiming dividends, interest payments and

commission. TPJ, its nominee and any relevant custodian will not be responsible for reclaiming any withholding tax and other deductions but nonetheless may do so.

- 7.4 TPJ shall not be responsible for informing us of any Corporate Actions or events concerning investments held in custody including take-over offers, capital reorganisations, company meetings, conversion or subscription rights but will nevertheless do so insofar as reasonably practicable. TPJ will take up or participate in such events as instructed by us provided that such instructions are received within such time as TPJ may stipulate. All entitlements relating to Corporate Actions in connection with investments held in pooled accounts will be allocated as far as is reasonably possible on a pro-rata basis, however, TPJ may if this is not possible adjust the allocation of entitlements in such a way as appears to them to achieve a fair treatment for all participants in the pool.
- 7.5 TPJ may appoint agents, nominees and custodians (whether in Jersey or overseas), to hold investments held in custody. TPJ may also appoint sub-custodians (including sub-custodians overseas), to hold investments for your account or us (as the case may be) on such terms as TPJ considers appropriate. TPJ will exercise reasonable care in the selection of agents, nominees and custodians and before nominating a custodian it will undertake a risk assessment of that custodian. TPJ may from time to time notify us of its arrangements for holding securities in its own name or the name of its nominees and you agree that any such arrangements as so notified shall be binding on you. TPJ will be responsible for the acts and omissions of its nominee, however, in the absence of fraud or wilful default, TPJ shall not be responsible for the default of any agents, nominees and custodians, securities depository, intermediate broker, clearing or settlement system or participant in such a system. In the case of any investments held overseas there may be different settlement, legal and regulatory requirements in overseas jurisdictions from those applying in Jersey and there may be different practices for the separate identification of investments.

## **B8. Client Money**

- 8.1 Any money (in any currency) received by TPJ for the account of any Client will be received and held by TPJ in accordance with applicable laws and regulations. Client Money will (unless we instruct TPJ to pay such money into an individual Client account established by

us) be held in an omnibus Client Money account with an approved bank, or banks, nominated by TPJ in which TPJ will hold all money it is holding on behalf of our Clients.

- 8.2 In the event of an irreconcilable shortfall in the omnibus Client Money account following a default of an approved bank or any third party holding money on behalf of our Clients (such as a clearing house, settlement or money transfer system) you may not receive your full entitlement and may share in any shortfall on a pro rata basis. It is our responsibility to bring these arrangements to your attention.
- 8.3 TPJ may, from time to time, hold Client Money in a client bank account with an approved bank outside of Jersey. In such circumstances, the legal and regulatory regime applying to the approved bank with which such money is held will be different from that of Jersey and, in the event of a default of the approved bank, such money may be treated differently from the position that would apply if the money was held by an approved bank in Jersey. It is our responsibility to bring these arrangements to your attention.
- 8.4 TPJ will pay interest, including negative interest, on Client Money at such rate as it may specify and such interest will be credited or debited to each Client Money account not less than once every six months.
- 8.5 You agree that TPJ will cease to treat as Client Money any unclaimed balances after a period of six years and TPJ has otherwise taken reasonable steps to trace you and return any balance to you. TPJ will nevertheless make good any subsequent valid claim against such balances.
- 8.6 TPJ may also appoint agents, sub-nominees and sub-custodians (whether in Jersey or overseas), to hold investments held in custody. TPJ will exercise reasonable care in the selection of agents, sub-nominees and sub-custodians and before nominating a custodian it will undertake a risk assessment of that custodian. TPJ will be responsible for the acts and omissions of its nominee, however, in the absence of fraud or wilful default, TPJ shall not be responsible for the default of any sub-nominee, custodian, sub-custodian, securities depository, intermediate broker or agent, clearing or settlement system or participant in such a system. In the case of any securities held overseas there may be different settlement, legal and regulatory requirements in overseas jurisdictions from

those applying in Jersey and there may be different practices for the separate identification of securities.

8.7 TPJ reserves a right to retain all cash, investments or other assets of any description paid or delivered (or which are due to be paid or delivered) to TPJ for your account.

**B9. Security And Default**

9.1 As continuing security for the payment of all sums due to TPJ including any present and future obligations by you, you hereby agree to grant and grant TPJ:

9.1.1 a continuing general lien and right of set-off over and in respect of, all and any investments, documents of title to property, documents representing property and all money, investments and other assets of any nature held by or subject to the control of TPJ (its nominees and custodians) for your account (including, without limitation, the benefit of all contractual rights and obligations and any proceeds of sale).

9.2 You and we will, at the request of TPJ, take such action as may be required to perfect or enforce any security interest and each irrevocably appoints TPJ as their attorney to take any such action on their behalf.

9.3 You represent and warrant, jointly and severally with us, to TPJ that all money, investments or other assets of any nature transferred to or held by TPJ their nominees and custodians for your account are your sole and beneficial property or are transferred to or held by TPJ their nominees and custodians with the legal and beneficial owner's unconditional consent and are free of such owner's interest and, in any event, are and will be transferred to or held by TPJ their nominees and custodians free and clear of any lien, charge or other encumbrance and undertake that neither you nor we will charge, assign or otherwise dispose of or create any interest therein.

9.4 If you fail to comply with any of your obligations to TPJ, the security interest referred to in Clause 9.1 shall be enforceable and the powers conferred by Section 101 of the Law of Property Act 1925 (as varied and extended by this Agreement) shall be exercisable. Section 103 of the Law of Property Act 1925 shall not apply to this Agreement. In such circumstances TPJ may without prior notice and free of any interest of

yours, sell, charge, pledge, deposit, realise, borrow or otherwise deal, with any investments or other assets TPJ their nominees and custodians are holding for your account on any terms it considers appropriate. The proceeds of any sale or realisation of such investments or other assets and any moneys from time to time deposited with or held by TPJ their nominees and custodians under this Agreement, shall be applied towards the satisfaction of your liabilities to TPJ.

9.5 TPJ shall have no liability whatsoever to you or us for any cost, loss, liability and expense, including without limit any loss of profit or loss of opportunity incurred or suffered by you or us in consequence of any exercise by TPJ of any right or remedy hereunder and any purchase, sale, or other transaction or action that may be undertaken by TPJ shall be at such price and on such terms as TPJ shall reasonably determine.

9.6 In exercising any right or remedy pursuant to this Clause 9, TPJ is authorised to combine accounts, effect such currency conversions and enter into such foreign exchange transactions with, or on behalf of, you or us, at such rates and in such manner as TPJ may reasonably determine.

9.7 No third party shall be required to enquire as to the validity of the exercise by TPJ of its powers under this Clause 9.

**B10. Liability And Indemnity**

10.1 Neither TPJ, nor any of its directors, employees or agents, shall be liable for any loss or damage sustained by you as a direct or indirect result of the provision by TPJ of its services, save that nothing in the terms set out in this Schedule exclude or restrict any liability of TPJ resulting from:

- 10.1.1 death or personal injury;
- 10.1.2 breach of any obligation owed to you under the regulatory system; or
- 10.1.3 the negligence, fraud or wilful default of TPJ.

10.2 TPJ shall not in any event be liable for loss of profits, loss of opportunity, loss of business, loss of savings, loss of goodwill, claims by third parties, loss of anticipated savings (whether direct or indirect) or for any type of special, direct, indirect or consequential loss howsoever caused, even if caused by TPJ

negligence and/or breach of contract and even if such loss was reasonably foreseeable or TPJ had been advised of the possibility of your incurring the same.

10.3 You undertake to indemnify TPJ and each of its directors, employees and agents on an after-tax basis, against any liabilities, reasonable costs and expenses (including legal costs) and all duties and taxes (other than TPJ's corporation tax) which are caused by:

10.3.1 the provision by TPJ of its services to you;

10.3.2 any material breach by you of any of these Terms;

10.3.3 any default or failure by you in performing your obligations to make delivery or payment when due; or

10.3.4 any defect in title or any fraud or forgery in relation to any investments delivered to TPJ by you or on your behalf or in relation to any instrument of transfer in relation to such investments (including any electronic instruction) purporting to transfer such investments.

10.4 TPJ shall not be entitled to be indemnified against the consequences to it of its breach of any obligation owed to you under the regulatory system or its own negligence, fraud or wilful default.

10.5 TPJ shall not be responsible or liable for any failure to provide any of the services if such failure results wholly or partly from any event or state of affairs beyond TPJ's reasonable control (including, without limit, any failure of communication or equipment, any failure or interruption in the supply of data, any political crisis or terrorist action, the suspension or limitation of trading by any exchange, market or other execution venue, clearing house, broker, intermediary, settlement agent or OTC counterparty or any fire, flood or other natural disaster) and, in such circumstances, all and any of TPJ's obligations shall be suspended pending resolution of the event or state of affairs in question.

10.6 The provisions of this Term shall continue to apply notwithstanding the fact that we or TPJ cease to provide services and shall be in addition to any other right of indemnity or claim whether pursuant to these Terms or otherwise and shall not be affected by any

forbearance, whether as to payment, time, performance or otherwise.

#### **B11. Charges**

11.1 Any fees or charges payable by you in relation to the services provided by TPJ and taxes payable via TPJ will be set out in our charging schedule as notified to you from time to time. TPJ is entitled to pay such charges out of assets and money held for you or by set off under Term 9 or to require you to pay them direct to it or via us. You may be liable for other taxes or charges not payable via TPJ.

#### **B12. Conflicts Of Interest**

12.1 TPJ or its associates may provide services or enter into bargains in relation to which TPJ, or its associates, has, directly or indirectly, a material interest or a relationship of any description with a third party which may involve a conflict of interest or potential conflict of interest with you. TPJ or any of its associates may, for example:

12.1.1 be the counterparty to a transaction that is executed by TPJ (whether or not involving a mark-up or a mark-down by TPJ or its associates);

12.1.2 be the financial adviser to the issuer of the investment to which any instructions relate;

12.1.3 have a (long or a short) position in the investments to which any instructions relate; or

12.1.4 be connected to the issuer of the investment to which any instructions relate.

12.2 TPJ may receive remuneration from fund managers in connection with TPJ providing services to them. These payments are calculated by reference to the value of assets that TPJ holds in custody for its clients.

12.3 TPJ has adopted conflict of interest policies in accordance with applicable legal and regulatory requirements for firms to pay due regard to the interests of their clients, treat them fairly and manage conflicts of interest fairly, both between themselves and their clients and between different clients.

12.4 You acknowledge that neither TPJ 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. advisers who are bound by confidentiality codes.

**B13. Data Protection and Confidentiality Of Information**

13.1 TPJ may use, store or otherwise process personal information provided by you or us in connection with the provision of the services for the purposes of providing the services, administering your account or for purposes ancillary thereto. In Jersey and the United Kingdom, TPJ operates in accordance with, applicable data protection legislation. The Agreement sets out certain obligations on TPJ as the Data Processor of your personal information, as required by that legislation.

13.2 The information TPJ holds about you is confidential and will not be used for any purpose other than in connection with the provision of the services. Information of a confidential nature will be treated as such provided that such information is not already in the public domain. TPJ will only disclose your information to third parties in the following circumstances:

13.2.1 where required by law or if requested by a regulatory authority or exchange having control or jurisdiction over TPJ (or any associate);

13.2.2 to investigate or prevent fraud or other illegal activity;

13.2.3 in connection with the provision of services to you;

13.2.4 for purposes ancillary to the provision of the services or the administration of your account, including, without limitation, for the purposes of credit enquiries or assessments;

13.2.5 if it is in the public interest to disclose such information;

13.2.6 at your request or with your consent. This is of course subject to the proviso that TPJ may disclose your information to certain permitted third parties, such as members of its own group, its service providers and its professional

13.3 TPJ will not sell, rent or trade your personal information to third parties for marketing purposes without your express consent.

13.4 Please be advised that, in using the service, you explicitly agree that TPJ may send your information internationally including to countries outside the European Union, including the United States of America. Some of these jurisdictions offer differing levels of protection of personal information, however, TPJ will always take steps to ensure that your information is used by third parties in accordance with its policy from time to time.

13.5 In accordance with data protection laws you are entitled to a copy of the information TPJ hold about you. In the first instance, you should direct any such request to us and we will pass your request on to TPJ. You should let us know if you think any information TPJ holds about you is inaccurate and we will ask TPJ to correct it.

**B14. Complaints**

14.1 In the event of any complaint regarding TPJ's services you should contact the Compliance Officer of TPJ.

14.2 The Compliance Officer will, as soon as is practicable, investigate the matter with any employees who may be directly concerned to determine the appropriate course of action. After investigating, the Compliance Officer will write to you detailing the results of the investigation and offering, where appropriate, redress.

14.3 TPJ will consider a complaint to be closed in any of the following circumstances:

(a) If at any time you have accepted in writing an offer of redress or have written to the Firm confirming that you are satisfied with the Firm's response to the complaint (or simply confirm in writing that you wish to withdraw the complaint). The Compliance Officer will write to you acknowledging receipt, making redress (if appropriate) and confirming that the complaint has been closed; or

(b) If you have not replied to an initial or interim letter offering redress having been

invited to do so within eight weeks of the date of the letter.

**B15. Amendment**

15.1 You agree that TPJ has the right under the Agreement to alter these Terms at any time, upon giving prior notice to us unless it is impracticable in the circumstances to give such notice. We are unable to influence any such amendments.

**B16. General**

16.1 TPJ's obligations to you shall be limited to those set out in these Terms and TPJ shall, in particular, not owe any wider duties of a fiduciary nature to you.

16.2 No third party shall be entitled to enforce these Terms in any circumstances.

16.3 Any failure by TPJ (whether continued or not) to insist upon strict compliance with any of the Terms set out in this Schedule shall not constitute nor be deemed to constitute a waiver by TPJ of any of its rights or remedies.

16.4 These Terms shall be governed by English law and you hereby irrevocably submit for the benefit of TPJ to the non-exclusive jurisdiction of the courts of England.

## C. Custody and Client Money - Westminster Asset Management

### C.1. Settlement and custody of client assets

Unless otherwise agreed with us in writing, as part of the Services Westminster Asset Management will provide you with safekeeping, custody and nominee services. This section explains the scope of those related functions.

#### C.1.1 Dealing with client assets

Westminster Asset Management provides settlement, safekeeping and custody and nominee services in respect of Investments. These services are either provided by Westminster Asset Management or by third parties. This section explains the manner in which transactions are executed, settled and held in custody for clients. Where Westminster Asset Management provides these services, it will arrange for the registration and safekeeping of Investments in accordance with the Rules. Westminster Asset Management will notify clients in the event of a change in provider of custody and nominee services where required to do so by Applicable Law.

#### C.1.2 Settlement

- (a) Westminster Asset Management will arrange for the settlement of transactions undertaken in relation to client portfolios provided that it holds or receives all necessary documents or funds on the basis of standard market practice for the type of Investment and markets concerned. Delivery or payment by the other party to any such transaction will be at the client's risk and Westminster Asset Management's obligation to account to clients for any proceeds of sale of any Investment is conditional on receipt of the relevant documents or sales proceeds as applicable.
- (b) Westminster Asset Management may operate a settlement system under which the client portfolio is debited with the purchase cost or credited with the proceeds of sale on the usual settlement days for the relevant market, conditional upon settlement ultimately being effected on that market. If settlement is effected other than at these times the client's portfolio may benefit or may lose out. Westminster Asset Management may cancel any debit or credit attributed to a client portfolio at any time before actual settlement. By way of confirmation, clients should not rely on debits or credits arriving on an assumed date under the procedure described above until actual settlement has taken place.
- (c) If Westminster Asset Management becomes aware of settlement failure or receives an error

notice (for example, where settlement has not occurred because amounts remain unpaid or an operational error has occurred), Westminster Asset Management may reverse entries or correct errors made in any documents or on any systems.

#### C.1.3 Registration and recording of investments

- (a) Investments, if held in registerable form, will be registered, either in the name of the client or a third-party nominee company as permitted by the Rules.
- (b) Investments in client portfolios will normally be registered or otherwise recorded in the name of a nominee company of a type permitted by the Rules. Please see section C.1.3 (h) which explains Westminster Asset Management's responsibilities in relation to third party custody and nominees.
- (c) In some circumstances, it may be appropriate for Investments to be registered or recorded in Westminster Asset Management's own name or in the name of a custodian of a type permitted by the Rules. This may occur where Investments are overseas Investments and Westminster Asset Management has taken reasonable steps to assess whether it is in the client's best interests to hold them in this way or it is not feasible to do otherwise due to Applicable Law or market practice in the relevant jurisdiction.
- (d) In certain jurisdictions, Applicable Law may mean that it is not possible for Investments held by a third-party custodian to be held in a manner separately identifiable from the assets belonging to that third-party custodian or to Westminster Asset Management. Where Investments belonging to clients are held in the same name as Westminster Asset Management's own assets, Westminster Asset Management will ensure that such Investments are separately identified in its records from assets belonging to it. In the event of the insolvency or default of such a third-party custodian if there is a shortfall in assets available to settle claims, not all of the assets belonging to the client may be recovered.
- (e) Westminster Asset Management will normally only deposit assets with custodians in countries outside the EEA which do not regulate the safekeeping and custody of Investments where the nature of the Investments or Services connected with them requires them to be deposited with a third party in that country.
- (f) The Investments belonging to clients, which are held overseas, may in any event be subject to settlement, legal and regulatory requirements together with different market practices for the

separate identification of those Investments to those applying in Jersey and the clients' rights in relation to them may therefore differ. Where Investments are held outside of the UK, clients' rights in the event of a default or insolvency are likely to be different and in certain circumstances may be less than they would be had the Investments been held in Jersey.

- (g) Where Investments belonging to a client are registered in the name of Westminster Asset Management, a third-party custodian or nominee they may be held together with those of other clients in an omnibus account or otherwise pooled. This means that clients' individual entitlements to such Investments may not be identifiable by separate certificates, physical documents of title or equivalent records. In the event of a default or insolvency of the custodian, any shortfall may be shared pro rata among all clients whose investments are registered in this way. This may mean that Westminster Asset Management may return certificates or other evidence of title to the client, which are not the same certificates, or evidence of title which were originally deposited by the client. A further effect of pooling is clients' entitlements to shares under the benefits arising from corporate actions will be distributed on a pro rata basis or otherwise as Westminster Asset Management in its absolute discretion thinks fit.
- (h) Where Westminster Asset Management appoints an external custodian or nominee, it will undertake an appropriate risk assessment and will exercise all due skill care and diligence in the selection, appointment and periodic review of the custodian or nominee. Westminster Asset Management will not be responsible for the acts, omissions, default or insolvency of an external custodian or nominee.
- (i) Westminster Asset Management will seek to ensure that adequate organisational arrangements are made to safeguard Investments. Clients should be aware that Investments may be at risk if the custodian becomes insolvent. Westminster Asset Management will not use a client's funds or financial instruments for its own account.
- (j) Client protections and the availability of compensation schemes will vary according to jurisdiction and the specific circumstances of your claim. Please refer to the JFSC website: [www.jerseyfsc.org](http://www.jerseyfsc.org) for more information.
- (k) Clients, in particular UK resident clients, should be aware that Westminster Asset Management is not subject to the Financial Services and Markets Act 2000 (FSMA) and therefore clients will not be afforded the protections provided by the FSMA or the Financial Conduct Authority.

- (l) In the event that the client instructs Westminster Asset Management to use a particular custodian or nominee for the safekeeping of Investments, the client's decision to do so is entirely at the client's own risk.

#### C.1.4 Documents of title

Documents of title to Investments held in the client portfolio will be held by Westminster Asset Management as custodian for clients or otherwise in accordance with Instructions. Westminster Asset Management will ensure that, where Investments are held in uncertificated form or are transferable by book entry, evidence of title will be recorded so that Investments belonging to the client are separately identifiable from Investments held for Westminster Asset Management.

Westminster Asset Management will not purchase, hold or dispose of bearer instruments on a client's behalf.

#### C.1.5. Collection of income

- (a) Westminster Asset Management or our nominee will be responsible for collection of income. Westminster Asset Management or our nominee will be responsible for claiming and receiving dividends, interest payments and other entitlements in respect of Investments within client portfolios where it provides custody services.
- (b) Unless you instruct otherwise, income received in a currency other than Sterling will be converted to Sterling and credited once that conversion is complete. Prevailing conversion rates available to Westminster Asset Management at the time will be used.
- (c) Westminster Asset Management will follow the Instructions of the client as set out in the Application Pack as to how income is to be distributed or re-invested.

#### C.1.6 Liens and security interests

- (a) Westminster Asset Management is entitled to an express lien, power of sale and right of set off over client Investments, cash or other property in respect of properly incurred charges and liabilities arising from the provision of the Services (including custody services). Westminster Asset Management may exercise such rights in such manner as it thinks fit, including by consolidating Accounts belonging to the client.
- (b) The client hereby charges by way of first fixed charge and with full title guarantee, the grant of a pledge over and a general lien and right of set



off over all Investments, Accounts and assets held by Westminster Asset Management on behalf of the client (or by custodians and nominees appointed by Westminster Asset Management pursuant to these Terms) as continuing security for the performance of the client's obligations under these Terms and the charges and liabilities properly arising from the provision of the Services (including custody services) and client indebtedness under these Terms. Westminster Asset Management keeps a record of all security interests, liens and rights of set-off.

- (c) If Westminster Asset Management is required to exercise its rights under this section, it will seek to provide notice but may do so immediately and without notice where it considers appropriate.
- (d) Clients are responsible for meeting the costs associated with exercising any of the rights or powers reserved to Westminster Asset Management under this section (which may include the costs of realising assets and legal costs associated with enforcing the security).
- (e) The proceeds of sale assets will be applied towards the discharge of any liabilities owed to Westminster Asset Management (including the costs associated with such sale) and the client will remain liable for any outstanding amounts owed.
- (f) Where any of the rights in this section are exercised, Westminster Asset Management will not be liable for the decisions as to which Investments or assets it realises in order to meet the client's liabilities, nor is Westminster Asset Management responsible for any legal, tax or other consequences for the client.

**C.1.7 Corporate actions**

- (a) Where the client uses any client specified discretionary investment management service. Westminster Asset Management may at its sole discretion decide whether or not to exercise voting rights or corporate actions relating to Investments. This may mean that Westminster Asset Management acts in accordance with or against the recommendations of boards or may not vote at all. Westminster Asset Management will seek to act in accordance with the best interests of its clients when exercising (or not exercising) voting rights or taking up (or not taking up) rights arising on corporate actions.
- (b) Where the client uses the Execution Only Dealing service Westminster Asset Management will use reasonable endeavours to provide clients with information about voting rights or potential corporate actions. Westminster Asset

Management will not be bound to exercise either voting rights or corporate actions on behalf of any advisory investment management or Execution Only Dealing client but will, where Instructions are received in good time, seek to implement the Instructions.

**C.2 Client money**

C.2.1 Westminster Asset Management will deal with Client Money in accordance with the Rules.

C.2.2 Westminster Asset Management will ensure that Client Money is separated from our funds and held at an Approved Bank. Westminster Asset Management will use reasonable skill, care and diligence in its selection, use and monitoring of the Approved Bank.

C.2.3 Client Money will be:

- (a) pooled with other client's money in a pooled account so that individual clients do not have a claim against an account in their individual name;
- (b) subject to repayment on a proportionate basis in the event that the Approved Bank enters into administration, liquidation or a similar procedure. If the Approved Bank is unable to repay all of its creditors, the Client Money would be pooled with that of Westminster Asset Management's other clients with that entity and any shortfall would be borne by all the clients of that pool proportionately.

C.2.4 In the event of Westminster Asset Management's administration, liquidation or analogous procedure, Client Money will be subject to the Client Money distribution rules contained in the Rules.

C.2.5 Client Money will be held in Approved Banks. We do not take part in the Jersey Banking Depositor Compensation Scheme (the "DCS") as it only applies to certain customers of banks in Jersey. For the avoidance of doubt, you will not therefore be entitled to compensation from the DCS if we cannot meet our obligations to you.

C.2.6 Where we are required in the performance of this Agreement to pass Client Money to another financial institution (such as an exchange, intermediate broker, settlement agent or clearing house) we will have no responsibility for the acts or omissions (or insolvency) of such persons. Different law and regulation as to solvency and protection may apply where such transfers are made especially where such person is located outside of the Channel Islands or the EEA. Any delegation will comply with regulatory requirements.

C.2.7 Westminster Asset Management may transfer Client Money to another firm on a transfer of business

provided that the sums transferred will be held in accordance with the Rules.

C.2.8 Where Client Money is held in a Client bank account and interest is received on such money, Westminster Asset Management will pay interest on the balance of the client's Account. Any interest exceeding £10 will be credited to your Account within 10 business days of each quarter end date. Quarter end dates are the last working day of each of March, June, September and December. Rates of interest paid will be published on the client section of our website and can be confirmed on request. Uninvested money (which may include cash pending investment and other money not immediately required for settlement) may attract interest at different rates depending on the Service. Interest rates payable on Accounts may be below interest rates which clients may be able to achieve in deposit accounts and below the Bank of England base rate then in force. Westminster Asset Management may be able to obtain better interest rates but the interest rate payable to clients may be lower than such rates. Westminster Asset Management is entitled to retain any resulting benefit. Equally, in certain circumstances, it is possible that Westminster Asset Management may need to apply negative credit interest resulting in a debit being applied to money held on behalf of clients. In some cases, the debit applied may be higher than the debit charged to Westminster Asset Management.

C.2.9 On a transfer of business, Westminster Asset Management may transfer Client Money to another firm provided that the sums transferred will be held in accordance with the Client Money Rules.

#### C.2.10 Unclaimed Investments

(a) In certain limited circumstances, unclaimed Investments may be realised and transferred to charity.

(b) Subject to Applicable Law, Westminster Asset Management may cease to treat unclaimed Investments held on the client's behalf as client Investments, and (i) liquidate the Investments at market value and pay away the proceeds; or (ii) directly transfer away the Investments, in either case to a registered charity of Westminster Asset Management's choice. Westminster Asset Management may only do this if:

(i) Westminster Asset Management has held the client's Investments (other than Client Money) for at least 12 years (for Client Money the period is 6 years) and there have been no instructions received by Westminster Asset Management in relation to the Investments for at least 12 years (for Client Money the period is 6 years) immediately before being paid way to the registered charity; and

(ii) Westminster Asset Management has taken reasonable steps to trace the client and return Investments to the client; or

(iii) in relation to Client Money where the client's balance is £25 or less, Westminster Asset Management has made one attempt to return the Client Money using the most up to date contact details Westminster Asset Management holds for the client and has not received a response from the client within 28 days

(c) Westminster Asset Management will maintain records of dealings with unclaimed Investments and Client Money, which are paid away.

(d) If the client contacts Westminster Asset Management after Westminster Asset Management has paid away Investments, Westminster Asset Management will return an amount equal to the value of the client's Investments at the time they are liquidated or paid away.

#### C.2.11 Tax compliance

(a) Westminster Asset Management is required to co-operate with various regulatory and taxation authorities in their dealings and other enquiries, which may also include co-operating under qualifying intermediary ("QI") regulations, the Foreign Account Tax Compliance Act ("FATCA") and Common Reporting Standards ("CRS"). This may involve us collecting, reporting or disclosing to such authorities relevant information in respect of dealings in securities, including the identity of our clients. As long as Westminster Asset Management has not acted fraudulently or with gross negligence, we will not be liable for any loss or damage the client may suffer directly or indirectly as a result of our compliance with legislation or the requirements of regulatory and/or taxation authorities. You agree to cooperate with any information requests which we may have in order to ensure our compliance with our regulatory and taxation reporting responsibilities.

(b) Westminster Asset Management may choose to act in the future as a qualifying intermediary under a QI agreement with the United States Internal Revenue Service ("IRS"). In order to comply with the terms of the QI agreement Westminster Asset Management will be obliged to verify the status of all Account holders holding US assets or who are deemed to be US account holders under the terms of FATCA to ensure the Account holders are not avoiding US taxation. In order to comply with this obligation, Westminster Asset Management will seek such verification usually by way of W-8BEN or W-9

documentation, as is necessary to demonstrate compliance. Westminster Asset Management may freeze or impose default withholding tax tariffs on client Accounts which are undocumented after reasonable attempts have been made to obtain documents.

- (c) In certain circumstances, a replacement form is required every three years, which will be supplied to the client by Westminster Asset Management. Failure to complete and return the tax form may result in tax being deducted at a higher rate and/or an inaccurate report being made to the IRS. In such circumstances where you are in persistent default of the requirements, and having been given reasonable opportunity to comply with them, we, at our discretion, reserve the right to sell any securities and to account to you for the net proceeds (which will be subject to the deduction of withholding taxes and on which we may charge our standard commission) or certificate the same wherever possible. This action will be taken in good faith for the purposes of not prejudicing our clients as a whole and of complying with our obligations to the IRS. We accept no liability for any loss resulting from the sale or certifications of any securities in such circumstances.
- (d) We are registered under FATCA as a Foreign Financial Institution and under CRS as a Participating Jurisdiction Financial Institution. This means that we are required to obtain information regarding tax residency of all entities and individuals associated with an account opened with us and may report your account and/or transaction details to the Jersey tax authorities as required by the applicable rules.

- (iv) any losses necessarily realised in settling or concluding outstanding obligations.

- (b) These fees and expenses may be deducted from any money forming part of your Account or this may necessitate the sale of sufficient assets from your Account by us to cover such fees and expenses.
- (c) In the event of termination of the Client Agreement, by you or by us, we will (following payment in accordance with this paragraph C2.13 and settlement of all outstanding transactions), re-register your assets and transfer your cash as you reasonably request, and in the absence of any such reasonable request will take such action to re-register your assets in your name and to transfer your cash to you as we see fit.
- (d) Instructions to liquidate the portfolio(s) and repay funds may mean that any potential tax relief is lost and you should ensure that you have taken advice prior to this course of action.
- (e) You should be aware that where we are required to liquidate the entire portfolio(s) on termination, this may take place over an extended period of time as the markets for shares in the portfolio(s) may be of limited liquidity and produce different market conditions to accommodate sudden large sell orders.
- (f) Liquidation of your portfolio(s) may result in realisation of capital gains or losses, which may incur capital gains tax. You should consult your tax adviser if you are unsure as to the tax implications of any particular course of action.

#### C.2.12 Use of own custodian

To the extent that you do not use our safekeeping, custody and nominee services, you agree that you will ensure that any third-party custodian is obliged to comply with any instructions given by us in carrying out our obligations under any agreement in place between you and us.

#### C.2.13 Termination

- (a) Upon termination of your Client Agreement, you will pay:
  - (i) our fees up to the date of termination;
  - (ii) any transfer charges outlined in the Schedule of Charges;
  - (iii) any expenses reasonably incurred in transferring assets to you or to your order;

## D. Investment Services

### D.1. General

D.1.1 Westminster Asset Management offers discretionary investment management services (DIM)

D.1.2 Westminster Asset Management also offers an Execution Only Dealing Service.

(together the "Investment Services")

D.1.3 The scope of Investment Services is subject to the Client Agreement, in particular to the selections made by the client in the Application Pack. Amendments to the scope of Investment Services are subject to section A.8.16.

D.1.4 In providing the Investment Services, Westminster Asset Management does not advise or hold itself out as advising on the general financial affairs of clients or on the impact of investment decisions relating to pensions, taxation or other matters relating to the personal circumstances of clients and does not therefore provide services across all products. Consequently, when providing advice or personal recommendations in the performance of the Investment Services it will do so on a restricted basis.

### D.2. Discretionary Investment Management Service ("DIM")

D.2.1 DIM is a discretionary investment management service by which Westminster Asset Management manages a range of Investments on a discretionary basis. The relevant Application Pack details the Investment Objectives and Risk Profiles available for selection by the client.

D.2.2 Subject to section A.6, DIM Investments may cover all major world markets without geographical spread or type of Investment being restricted.

D.2.3 Clients are required to accept the initial composition, investment strategy, risk profile, volatility and other characteristics of the DIM Portfolio selected. Where additional investment is made into the DIM Portfolio, it will be invested and managed in accordance with the strategy of the relevant DIM Portfolio at the time invested unless otherwise agreed.

D.2.4 Subject only to section D.3.5, clients are not permitted to give Instructions to buy, sell or exercise rights in relation to Investments held in the DIM. If a client wishes to give Instructions, Westminster Asset Management will require a separate Execution Only Dealing Account to be opened by the client.

D.2.5 In the event that a client requests a portfolio service or service level not ordinarily available within the DIM, Westminster Asset Management may agree to provide a different portfolio service or service level within the DIM. In all such cases, Westminster Asset Management will accept responsibility for creating and managing the

portfolio on a discretionary basis in accordance with the client's stated Investment Objectives and Risk Profile. Either the Professional Adviser or Westminster Asset Management will be appointed by the client to be responsible for assessing the Suitability of the resulting client portfolio to the client's Investment Objectives and Risk Profile. Further, if the client requires that Westminster Asset Management does not exercise discretion over a part or the whole of the Investments in such a separate Account Westminster Asset Management reserves the right to open a separate Execution Only Dealing Account in respect of such Investments.

D.2.6 Where DIM is provided to the client:

(a) either the Professional Adviser or Westminster Asset Management will be appointed by the client to carry out the Suitability Functions set out under D.2.6(e), below and the party so appointed is responsible for carrying out those functions;

(b) unless section D.2.6(c) applies the Professional Adviser is responsible for collecting any KYC required by Applicable Law and Westminster Asset Management may rely on any KYC collected by the Professional Adviser in order to carry out any functions for which it is responsible;

(c) if there is no Professional Adviser, or where Westminster Asset Management has agreed with the Professional Adviser, Westminster Asset Management is responsible for collecting any KYC required by Applicable Law;

(d) Westminster Asset Management is responsible for creating and managing the DIM Portfolio on a discretionary basis in accordance with the client's stated Investment Objectives and Risk Profile;

(e) in this section D.2.6, "Suitability Functions" means the functions of:

(i) determining the client's Investment Objectives and Risk Profile;

(ii) assessing the Suitability of DIM, as the case may be;

(iii) advising the client as to the Suitability of any particular DIM Portfolio (including, but not limited to, client's Investment Objectives and Risk Profile); and

(iv) assessing the Suitability of DIM and the DIM Portfolio for the client on an ongoing basis and advising the client accordingly.

- D.2.7 Westminster Asset Management is entitled to rely on the KYC and Investment Objective and Risk Profile information provided by Professional Advisers using Westminster Asset Management documentation. The receipt of such information does not constitute any acceptance of responsibility to review it for any purpose, including for any assessment of Suitability (save where Westminster Asset Management has explicitly agreed to do so in the client Application Pack).
- D.2.8 Notwithstanding that the client's principal relationship may be with the Professional Adviser, Westminster Asset Management reserves the right to contact the client for any purposes in connection with the Client Agreement. The client acknowledges that such contact may be necessary to enable Westminster Asset Management to comply with Applicable Law and to ensure the smooth performance of its obligations under this Agreement. By making contact with the client, Westminster Asset Management does not accept a transfer of or undertake responsibility for suitability obligations owed by the Professional Adviser.
- D.3. Investment Objectives and Risk Profile**
- D.3.1 Either Westminster Asset Management or the Professional Adviser may have accepted the Suitability Functions described in section D.2.6.
- D.3.2 Where the Professional Adviser has accepted the Suitability Functions, the extent of Westminster Asset Management's responsibility is to create and manage the client's DIM Portfolio in accordance with the client's Investment Objectives and Risk Profile as advised by the Professional Adviser to Westminster Asset Management. However, where the client has appointed Westminster Asset Management to provide the Suitability Functions, Westminster Asset Management will also accept responsibility for assessing the Suitability of DIM and the DIM Portfolio for the client in accordance with the Investment Objectives and Risk Profile of the client.
- D.3.4 Clients should notify their Professional Adviser, or Westminster Asset Management as the case may be, promptly in writing of any material change in their investment objectives, attitude to risk, any individual financial or personal circumstances or knowledge and experience in financial services. Such changes are important and may determine the nature of Services provided to clients. Failure to provide up to date information may impact on the ability of Westminster Asset Management's Services (or the service of Professional Advisers) to correspond with client needs.
- D.3.5 The impact of events and circumstances outside of Westminster Asset Management's control, including but not limited to the ongoing movements in the markets and fluctuations in the value of Investments, will not automatically be deemed to be a breach of any DIM Portfolio or any other portfolio's Investment Objectives or Risk Profile. In the event of unusual market conditions or turmoil, Westminster Asset Management may accept Instructions from the client (or Professional Adviser) to change the client's selected Risk Profile or DIM Portfolio. Such Instructions may include changing the client's Investment Objective and Risk Profile on the client's Instruction to a lower risk basis. Westminster Asset Management only accepts such Instruction within DIM on an exceptional basis and treats such Instructions as execution-only Instructions. Consequently, Westminster Asset Management will not accept any responsibility for following the Instruction, including loss of opportunity or loss of returns.
- D.3.6 Westminster Asset Management will seek to achieve the Investment Objective but there is no guarantee that it will be achieved.
- D.4. Execution Only Dealing Services**
- D.4.1 Where Westminster Asset Management provides an Execution Only Dealing service it will, subject to these Terms, follow client Instructions and carry out transactions in Investments on behalf of the client.
- D.4.2 Clients are responsible for the suitability of investment selection for Execution Only Dealing. Where a client provides an Instruction to deal in Investments on an execution only basis Westminster Asset Management will not provide any advice as to the suitability or appropriateness of such Instruction or whether a transaction is generally a good idea for the client. Clients are responsible for assessing the suitability and/or appropriateness of such transactions.
- D.4.4 Westminster Asset Management will not provide Execution Only Dealing within a discretionary investment management service. Instructions given by clients within a discretionary investment management service may be accepted by Westminster Asset Management subject to an Execution Only Dealing Account having been established for the client. Westminster Asset Management is not responsible for the effects of any delay while Westminster Asset Management considers a request for an Execution Only Dealing Account to be established.
- D.4.5 Where a disclosure obligation arises in relation to a client's holding of an Investment in an Execution Only Dealing Account, Westminster Asset Management accepts no responsibility for making such disclosure.
- D.5. Reporting to clients**
- D.5.1 At regular intervals specified in the Client Agreement but not less frequently than required by the Rules we will send you a statement, which will show the value of your portfolio at the beginning and end of the report period, changes in the Investments held in the portfolio during, and Investments held at the end of, the report period.
- D.5.2 Unless indicated to the contrary, valuations of your listed Investments will be based on the mid-market closing

price of the relevant securities as published by the relevant stock exchange on which such securities are listed, and valuations of any unlisted Investments will be carried out in accordance with our valuation policy (a copy of which is available on request).

- D.5.3 You agree that contract notes shall not be sent to you unless required in accordance with the Rules or unless you specifically request to receive these when entering into the Client Agreement. Unless we are providing you with our discretionary investment management services, all contract notes will be available to you, in legible form, via our secure online portal. Each time you deal in Investments on an execution only basis, we will advise you that a contract note is available. You should be aware that where you request to receive hard copy contract notes we reserve the right to charge a fee for this service, which will be notified to you.
- D.5.4 Where you do receive a contract note you should be aware that this is not a document of title.
- D.5.5 Contract notes, statements and valuations shall, in the absence of manifest error, be conclusive and deemed acknowledged by you as correct unless you notify us within 7 days of receipt or we notify you of any error.

#### **D.6. Calculation of Fees**

- D.6.1 Westminster Asset Management charges fees on the basis described below:
- (a) for DIM, fees are charged monthly in arrears based on the value of each portfolio at the end of each month multiplied by the annual percentage charge, proportionate to each month. In addition, transaction-based charges apply to dealing in Investments within the DIM Portfolio as described in the Fee Schedule;
  - (b) for Execution Only Dealing service, transactions are charged monthly on the basis set out in the Fee Schedule, being either fee based or transaction-based charges.

- E. Financial Planning Service**
- E.1. Definitions**
- E.1.1 The following definitions apply only to the Specific Terms of this Section E:
- Adviser Charges** the adviser fees and other charges (as amended from time to time in accordance with section A.8.16) due to Westminster Asset Management for the provision of initial and ongoing advice and services, as set out in the Suitability Report and/or the Fee Schedule.
- Financial Adviser** Your Westminster Asset Management financial planning adviser.
- Financial Planning Service** The financial planning service offered by Westminster Asset Management through which we provide you with financial planning advice.
- Non-Advised Transaction** Transactions executed on your specific instructions and where Westminster Asset Management has not given any advice or advised for or against the merits of the transaction or undertaken any assessment of suitability or appropriateness in accordance with the Rules. Clients undertaking a Non-Advised Transaction will be considered Execution Only for the purposes of such transaction.
- Objectives** The investment objectives, restrictions and financial goals we discuss and agree with you as amended from time to time.
- Recommendation** The financial planning strategies, including investments, restrictions and criteria recommended by us in the Suitability Report.
- Suitability Report** The document confirming the suitability of our advice and recommendation, based on your personal and financial circumstances, needs and objectives and risk profile.
- E.2. General**
- E.2.1 For clients of the Financial Planning Service, our Client Agreement with you comprises (i) these Terms; (ii) the Adviser Charges; (iii) the Suitability Report and such other documents expressly stated to form part of the Client Agreement.
- E.3. Financial advice and implementation**
- E.3.1 At the time of selecting this Service, and if you engage us to provide an ongoing advice service, an initial Suitability Report will be prepared once we have undertaken a "fact find" exercise with you, during which one of our Financial Advisers will request certain information about your personal and financial circumstances, your needs and Objectives and your risk profile, which will be set out and confirmed in a Suitability Report. A Suitability Report will be prepared for any subsequent financial advice given. For any advice provided to you other than face to face (for example, over the phone), you agree that you may receive a Suitability Report without undue delay after conclusion of any relevant transaction. Alternatively, you have the option to elect to delay the transaction until the Suitability Report has been delivered.
- E.3.2 Further to any financial advice given, we may implement your instructions to invest in a range of investment services or products provided by us or third parties including but not limited to discretionary investment management solutions, investment funds, protection products, personal pensions and offshore bond products as are agreed between us from time to time. Investment in any such service or product will be subject to these Specific Terms as well as any terms and conditions for the specific product chosen.
- E.3.3 In order to provide you with financial advice, we will request detailed and relevant information from you in respect of your investment knowledge and experience relevant to the type of investment transaction, attitude to risk, your personal and financial circumstances, your financial planning objectives, capacity for loss and potential future changes. This will enable us to act in your best interests and assess the suitability of our recommendations to meet your objectives. You acknowledge that we are entitled to rely on the information you provide us, unless we are aware that such information is manifestly out of date, inaccurate or incomplete.
- E.3.4 If you engage us to provide an ongoing advice service, we will periodically assess the suitability of our advice, the transactions entered into by us on your behalf and the Investments held through the Financial Planning Service as a whole, in accordance with the Rules. We will review your objectives and personal circumstances as set out in your most recently completed and signed Suitability Report. It is therefore essential that you understand the importance of your periodic review and update us with any new or unexpected changes in your circumstances.
- E.3.5 If you do not provide any information requested by us, either because you are unwilling or unable to provide such information, or if you provide us with inaccurate or insufficient information, we may not be able to provide you with suitable advice or enter into transactions on your behalf.
- E.3.6 Westminster Asset Management can provide advice on all aspects of financial planning such as pensions, investments, annuities, protection, inheritance and tax efficiency planning. However, in respect of discretionary investment management and execution only dealing Services, Westminster Asset Management has its own offering and is therefore restricted to recommending these Services.
- E.3.7 Following our advice, you may instruct us to arrange transactions for you, including investment in any Investments. We will use reasonable endeavours to carry

out those instructions, subject to our legal and regulatory obligations.

E.3.8 All decisions on whether to invest in, hold or dispose of any asset or to enter into any agreement are yours. We shall not enter into any transaction on your behalf without prior reference to you. This paragraph does not apply where you receive any of our Discretionary Investment Management Services.

E.3.9 Where you do not follow our Recommendations, we take no responsibility for the outcome. Where the Investments held in connection with your Objectives were not acquired on our advice or were retained against our advice we may, but are not obliged to, make Recommendations, which we reasonably consider are consistent with seeking to achieve your Objectives. However, you accept that not following our Recommendations may reduce the likelihood of achieving your Objectives.

E.3.10 We will use our reasonable endeavours to achieve your Objectives, but we will not be responsible if your Objectives are not achieved for any Recommendation, whether or not you acted on our advice.

#### **E.4. Changes to your Objectives**

E.4.1 If you wish to amend your Objectives you should contact us immediately in writing, and we will confirm our agreement to these amendments in writing. The amendments to your Objectives shall not take effect until we have confirmed our agreement in writing.

#### **E.5. Reviews**

E.5.1 You may request a review of your affairs relevant to the services we provide on request. We recommend you contact us to arrange a meeting at least on annual basis.

#### **E.6. Our Authority to Act On Your Behalf**

E.6.1 You authorise us to act as Agent on your behalf with full authority to complete application forms and any other administration incidental to the implementation of Recommendations made by us. You also authorise us and any third-party product providers to correspond directly in connection with the services, and/or such third parties to deliver correspondence to us on your behalf and to release confidential and personal information relating to you to enable us to perform our Services.

#### **E.7. Limit of Advice**

E.7.1 Neither Westminster Asset Management nor its employees are qualified to render any legal, tax or accounting advice or prepare any legal or accounting documents. Westminster Asset Management will refer such matters to your own lawyer or accountant where appropriate and after your permission. We may also introduce you to suitably qualified lawyers and

accountants if necessary. Those advisers will be solely responsible to you for work completed by them and advice given.

#### **E.8. Specific instructions**

E.8.1. If we advise you that your proposed course of action is not suitable for you, but you confirm in writing that you wish to proceed, we may accept your instruction, but only on an insistent client basis, in which case you acknowledge that we will not be required to ensure that the transaction is suitable for you. Separately, if you do not require advice, we may inform you at the time that we may execute your order on a Non-Advised Transaction basis.



## **PART 3 APPENDICES AND ANNEX**

### **Appendix 1 - Important information**

#### **1. Purpose of this important information notice**

This notice provides a summary of the nature of risks that may arise in investing through Westminster Asset Management, but it may not disclose all the risks and other significant features of individual investment products and services. This notice describes the type of investments that may be purchased for your portfolio and summarises typical risks associated with those investments and services. The notice is designed to give you information about and a warning of the risks to enable you to understand them in order to take investment decisions on an informed basis.

Our services are subject to the Client Agreement entered into with you and, consequently, you should not rely on this Notice as investment advice based on your personal circumstances, nor as an investment recommendation. You should also be satisfied that the product and/or service is suitable for you.

Depending on the Service provided and the terms of the Client Agreement entered into with you, either your Professional Adviser or Westminster Asset Management will be responsible for assessing the suitability of your portfolio to your individual circumstances.

All financial products carry a certain degree of risk and the value of investments and the income from them can fall as well as rise and you might not get back the original amount invested. This can result from market movements and also from variations in exchange rates between your base currency and the currency in which a particular investment is denominated. More than one risk factor may impact an investment at any given time, which means that risks can have quite unpredictable effects on the value of investments.

Past performance is not a reliable indicator of future results.

If you have any questions regarding the types of investments or risks disclosed in this notice, you should ask either your Professional Adviser or Westminster Asset Management (depending on the nature of the services selected by you in the Client Agreement).

## Appendix 2 – Fee Schedule

### Standard Fee Tariff

Portfolio Management Fees	1 <sup>st</sup> £3million	Next £3million	Thereafter
Bespoke/Multi-Asset, & Equity Portfolio Mandates from:	1.00%	0.75%	0.65%
Fixed Income Portfolio Mandates from:	0.75%	0.65%	0.50%

### Other Fees

Transaction Fees £50 per trade

Stock Transfer £100

Money Transfer £30

### Dealing & Custody Accounts

Annual Fee 0.30% (Minimum £500)

Transaction Charge £50 per transaction

### Multi Asset Class Investment Service

Risk-adjusted discretionary service invested via collective investment vehicles.

Management Fee 1.00% Flat per annum

### Collective Investment Scheme Charges

In addition to the annual portfolio management fee, internal charges may apply in respect of units in third party funds or Exchange Traded Funds ('ETFs') held within your portfolio. All such charges come out of the funds directly and will be reflected in a net fund price within your quarterly valuation report.

### Adviser Fees

The management fees applied to Portfolios that are introduced to us by your financial adviser may differ to those specified above to incorporate your adviser's charges within this fee. This will be agreed with you in advance.

\*Our Standard Fee Tariff shall apply unless otherwise agreed

## Annex 1 - Privacy Notice

This statement sets out how Westminster Asset Management will collect, use and process your personal data (as the Data Controller).

If we decide to change our Privacy Policy, we will post those changes on our website. Policy changes will apply only to information collected after the date of the change.

### Introduction

In providing Services, Westminster Asset Management is obligated and/or permitted by Jersey Law to retain copies of certain Personal Data in respect of its relationship with its clients.

Westminster Asset Management is registered under the Data Protection (Jersey) Law 2018 and will retain the Personal Data collected from you either in electronic and/or hard copy form.

When processing your Personal Data there will be times where Westminster Asset Management acts in the capacity of a data controller (as defined under the Data Protection (Jersey) Law 2018) (the "Data Protection Law").

Please note the following terms set out below will apply to the way in which Westminster Asset Management process your Personal Data when acting as a data controller.

### Purposes of processing and legal basis for processing

Westminster Asset Management may collect, use or process your Personal Data for the following purposes:

- Westminster Asset Management will itself (or through a third party e.g. media screening agency) process certain information about you or your directors, officers and employees and your beneficial owners (if applicable) in order to carry out media and anti-money laundering checks and related actions which Westminster Asset Management considers appropriate to meet any legal obligations imposed on Westminster Asset Management relating to data processing, the prevention of fraud, money laundering, terrorist financing, bribery, corruption, tax evasion and to prevent the provision of financial and other services to persons who may be subject to economic or trade sanctions, on an on-going basis, in accordance with Westminster Asset Management's anti-money laundering procedures;
- to provide the Services to you and/or for Westminster Asset Management's internal administration;
- to monitor calls and electronic communications for investigation and fraud prevention purposes, for crime detection, prevention, investigation and prosecution, and to enforce or defend Westminster Asset Management and its affiliates' rights, itself or through third parties to whom it delegates such responsibilities or rights in order to comply with a legal obligation imposed on Westminster Asset Management.

## Collection of Data

We collect Client data in the following ways:

1. Personal data that we receive directly from you:
  - Where you contact us proactively, usually by phone or email; and/or
  - Where we contact you, either by phone or email.
2. Personal data we receive from other sources. Where appropriate and in accordance with any local laws and requirements, we may seek more information about you or your directors, officers and employees and your beneficial owners from other sources including:
  - Your business' website;
  - Your regulator's or a Company Registry website;
  - Using a search engine to obtain publicly available information;
  - From other limited sources and third parties (for example; from third party due diligence providers).

### Recipients of data and international transfer of data

Westminster Asset Management may disclose your personal information as follows:

- to Compliance Consultancies in order to carry out money laundering and identity checks to comply with regulatory obligations;
- to third party vendors in order to process the data for the above-mentioned purposes and who perform functions on our behalf, such as IT providers, Auditors and Accountants, Lawyers and Custodians;
- to competent authorities, courts and bodies as required by law or requested or to affiliates for internal investigations and reporting; and
- to Westminster Asset Management's affiliates in order to share your Personal Data for hosting and future investments or Services.

The disclosure of personal information to the third parties set out above may involve the transfer of data to the United States of America and other jurisdictions outside the European Economic Area ("EEA"). Such countries may not have the same data protection laws as your jurisdiction.

Westminster Asset Management will not transfer Personal Data to persons located outside the EEA until, if required by applicable Data Protection Law, that person has entered into an agreement with Westminster Asset Management that includes the standard contractual clauses (known as model contract clauses) that are recognised by the European Commission as offering adequate safeguards in relation to data protection.

Your Personal Data is only processed in accordance with applicable Data Protection Laws and in order to maintain an appropriate level of protection over that Personal Data.

Please contact Westminster Asset Management for further details, including copies of the standard contractual clauses referred to above (details are listed at the end of this notice).

#### **Retention period**

Westminster Asset Management will retain your personal information for ten years or any longer term required for it and its Affiliates to perform the Services and/or as required by Data Protection or other applicable law.

#### **Data Subject Rights**

You have the following rights, in certain circumstances, in relation to your Personal Data:

- right to access your Personal Data;
- right to rectify your Personal Data;
- right to restrict the use of your Personal Data;
- right to request that your Personal Data is erased;
- right of data portability;
- right not to be subject to a decision based solely on automated processing; and
- right to object to processing of your Personal Data.

Where you have provided your consent to processing, you may withdraw your consent at any time by contacting Westminster Asset Management by writing to us stating that you withdraw your consent.

Where Westminster Asset Management requires your Personal Data to comply with KYC/CDD or other legal requirements, failure to provide this information means Westminster Asset Management may not be able to provide the Services.

If you would like to exercise any of these rights or withdraw your consent to the processing of your personal data (where consent is our legal basis for processing your personal data), details of how to contact us can be found at the end of this notice. Please note that we may keep a record of your communications to help us resolve any issues, which you raise.

You have the right to lodge a complaint with a Supervisory Authority, details of how to contact them can be found at the end of this notice.

Please refer to appendix 2 of this privacy notice for more information on the data subject rights.

#### **How to contact us**

Westminster Asset Management, based in Jersey, Channel Islands controls the processing of personal data of Clients, Suppliers and Website Users.

#### **Contact details**

If you have any questions about our use of your Personal Data, please contact The Compliance Officer by Email [info@westminsteram.com](mailto:info@westminsteram.com) to exercise any of the below rights:

- to access, amend or take back the personal data that you have given to us;
- if you suspect any misuse or loss of or unauthorised access to your personal information;
- to withdraw your consent to the processing of your personal data (where consent is the legal basis on which we process your personal data);
- with any complaints, comments or suggestions concerning this Privacy Policy;
- To update your marketing preferences or profile, you can email [info@westminsteram.com](mailto:info@westminsteram.com) or by clicking the unsubscribe link in any marketing e-mail we send to you.

Alternatively, you can write to us at: Westminster Asset Management, First Floor, International Finance Centre 5, The Esplanade, St Helier, Jersey JE2 3BY.

Or call us on +44 (0) 1534 616818.

#### **How to contact your local data protection authority**

You can contact the Office of the Information Commissioner in the following ways:

- Phone: +44 (0) 1534 716530
- Email: [enquiries@jerseyoic.org](mailto:enquiries@jerseyoic.org)
- Post: Office of Information Commissioner, 2<sup>nd</sup> Floor, 5 Castle Street, St Helier, Jersey, JE2 3BT
- Website: [www.jerseyoic.org](http://www.jerseyoic.org)

#### **Appendix 1**

##### **Our Legal Bases for processing your data – Legitimate Interests**

Schedule 2, Article 9 (5)(1) of the Data Protection Law 2018 is the one that is relevant here – it says that we can process your data where it “is necessary for the purposes of legitimate interests pursued by the controller or by the third party or parties” unless the processing is unwarranted in any particular case by reason of prejudice to the rights and freedoms or legitimate interests of the data subject”.

We don't think that any of the following activities prejudice individuals in any way – in fact, they help us to offer you a more tailored, efficient service which is beneficial to both parties. However, you do have the right to object to us processing your personal data on this basis.

We think it's reasonable to expect that if you are looking for us to provide a service, you are happy for us to collect and otherwise use your personal data to offer or provide our services to you.

We must make sure our business runs smoothly, so that we can carry on providing Services to clients like you. We therefore also need to use your data for our internal administrative activities, like invoicing where relevant.

We have our own obligations under the law, which is a legitimate interest of ours to insist on meeting. If we believe in good faith that it is necessary, we may therefore share your data in connection with crime detection, tax collection or actual or anticipated litigation.

## Consent

In certain circumstances, we are required to obtain your consent to the processing of your personal data in relation to certain activities. Depending on exactly what we are doing with your information, this consent will be opt-in consent or soft opt-in consent.

Article 11 of the Data Protection Law states that consent “means any freely given, specific, informed and unambiguous indication of the data subject’s wishes by which he or she, by a statement or by a clear affirmative action, whether orally or in writing, signifies agreement to the processing of that data”.

In plain language, this means that:

- you have to give us your consent freely, without us putting you under any type of pressure;
- you have to know what you are consenting to – so we'll make sure we give you enough information;
- you should have control over which processing activities you consent to and which you don't. We provide these finer controls within our privacy policy; and
- you need to take positive and affirmative action in giving us your consent – we're likely to provide a tick box for you to check so that this requirement is met in a clear and unambiguous fashion.

We will keep records of the consents that you have given in this way.

In some cases, we will be able to rely on soft opt-in consent. We are allowed to market products or services to you, which are related to the services we provide as long as you do not actively opt-out from these communications.

As we have mentioned, you have the right to withdraw your consent to these activities. You can do so at any time, and details of how to do so can be found [by contacting us using the contact details provided at the end of the privacy notice](#).

## Establishing, exercising or defending legal claims

Sometimes it may be necessary for us to process personal data and, where appropriate and in accordance with local laws and requirements, sensitive personal data in connection with exercising or defending legal claims. Schedule 1, 4, Article 9 substituted (3)(c) of the Data Protection Law, allows this where processing is necessary “for the establishment, exercise or defence of a legal claim or whenever a court is acting in its judicial capacity”.

This may arise for example where we need to take legal advice in relation to legal proceedings or are required by law to preserve or disclose certain information as part of the legal process.

## Appendix 2

### General

#### How can you access, amend or take back the personal data that you have given us?

One of the Data Protection Law’s main objectives is to protect and clarify your rights with regards to data privacy. This means that you retain various rights in respect of your data, even once you have given it to us. These are described in more detail below.

To get in touch with us about these rights, please contact us using the contact details listed at the bottom of the notice. We will seek to deal with your request without undue delay, and in any event within one month (subject to any extensions to which we are lawfully entitled). Please note that we may keep a record of your communications to help us resolve any issues which you raise.

**Right of access:** You may ask us to confirm what information we hold about you at any time. We may ask you to verify your identity and for more information about your request. If we provide you with access to the information we hold about you, we will not charge you for this unless your request is “manifestly vexatious, unfounded or excessive”. Where we are legally permitted to do so, we may refuse your request. If we refuse your request, we will always tell you the reasons for doing so.

**Right to rectification:** You have the right to request that we rectify any inaccurate or incomplete personal data that we hold about you. If we have shared this personal data with third parties, we will notify them about the rectification unless this is impossible or involves disproportionate effort. Where appropriate, we will also tell you which third parties we have disclosed the inaccurate or incomplete personal data to. Where we think that it is reasonable for us not to comply with your request, we will explain our reasons for this decision.

**Right to erasure (to be forgotten):** You have the right to request that we erase your personal data in certain circumstances. Normally, the information must meet one of the following criteria:

- the data is no longer necessary for the purpose for which we originally collected and/or processed them;
- where previously given, you have withdrawn your consent to us processing your data, and there is no other valid reason for us to continue processing;
- the data has been processed unlawfully (*i.e.* in a manner which does not comply with the Data Protection Law);
- it is necessary for the data to be erased in order for us to comply with our legal obligations as a data controller; or
- if we process the data because we believe it necessary to do so for our legitimate interests, you object to the processing and we are unable to demonstrate overriding legitimate grounds for our continued processing.

We would only be entitled to refuse to comply with your request for one of the following reasons:

- to exercise the right of freedom of expression and information;
- to comply with legal obligations or for the performance of a public interest task or exercise of official authority;
- for public health reasons in the public interest;
- for archival, research or statistical purposes; or

- to exercise or defend a legal claim.

When complying with a valid request for the erasure of data we will take all reasonably practicable steps to Delete the relevant data.

**Right to restrict processing:** You have the right to request that we restrict our processing of your personal data in certain circumstances. This means that we can only continue to store your data and will not be able to carry out any further processing activities with it until either: (i) one of the circumstances listed below is resolved; (ii) you consent; or (iii) further processing is necessary for either the establishment, exercise or defence of legal claims, or the protection of the rights of another individual.

The circumstances in which you are entitled to request that we restrict the processing of your personal data are:

- where you dispute the accuracy of the personal data that we are processing about you. In this case, our processing of your personal data will be restricted for the period during which the accuracy of the data is verified;
- where you object to our processing of your personal data for our legitimate interests. Here, you can request that the data be restricted while we verify our grounds for processing your personal data;
- where our processing of your data is unlawful, but you would prefer us to restrict our processing of it rather than erasing it; and
- where we have no further need to process your personal data, but you require the data to establish, exercise, or defend legal claims.

If we have shared your personal data with third parties, we will notify them about the restricted processing unless this is impossible or involves disproportionate effort. We will, of course, notify you before lifting any restriction on processing your personal data.

**Right of data portability:** If you wish, you have the right to receive and transfer your personal data between data controllers where technically feasible. This right of data portability applies to: (i) personal data that we process automatically (*i.e.* without any human intervention); (ii) personal data provided by you; and (iii) personal data that we process based on your consent or in order to fulfil a contract.

**Right to object to processing:** This right enables you to object to us processing your personal data where we do so for one of the following four reasons: (i) our legitimate interests; (ii) to enable us to perform a task in the public interest or exercise official authority; (iii) to send you direct marketing materials; and (iv) for scientific, historical, research, or statistical purposes.

The "legitimate interests" and "direct marketing" categories above are the ones most likely to apply to our Website Users, Clients and Suppliers. If your objection relates to us processing your personal data because we deem it necessary for your legitimate interests, we must act on your objection by ceasing the activity in question unless:

- we can show that we have compelling legitimate grounds for processing which overrides your interests; or

- we are processing your data for the establishment, exercise or defence of a legal claim.

If your objection relates to direct marketing, we must act on your objection by ceasing this activity.

**Right not to be subject to a decision based solely on automated processing:** We do not base any decisions solely on automated processing of your personal data, but if we did you would have the right to restrict our use of your data for this purpose.

You also have the right to lodge a complaint with your local authority. Details of how to contact them can be found at the end of the privacy notice.

If you would like to exercise any of these rights or withdraw your consent to the processing of your personal data (where consent is our legal basis for processing your personal data), details of how to contact us can be found at the end of the privacy notice. Please note that we may keep a record of your communications to help us resolve any issues which you raise.

If registered for newsletters or investor updates, you may ask to unsubscribe at any time using the contact details provided at the end of the privacy notice.

It is important that the personal information we hold about you is accurate and current. Please keep us informed if your personal information changes during the period for which we hold your data.

## GLOSSARY

**Clients** - This category covers our clients, and others to whom Westminster Asset Management provides services in the course of its business.

**Delete** – while we will endeavour to permanently erase your personal data once it reaches the end of its retention period or where we receive a valid request from you to do so, some of your data may still exist within our systems, for example if it is waiting to be overwritten. For our purposes, this data has been put beyond use, meaning that, while it still exists on an archive system, this cannot be readily accessed by any of our operational systems, processes or employees.

**Data Protection (Jersey) Law 2018** – Implemented 25 May 2018, replaced the Data Protection (Jersey) Law 2005.

**Suppliers** – refers to partnerships and companies (including sole traders), and atypical workers such as independent contractors and freelance workers, who provide services to Westminster Asset Management. In certain circumstances Westminster Asset Management will sub-contract the services it provides to Clients to third party suppliers who perform services on Westminster Asset Management 'S behalf.

**Website Users** - any individual who accesses the Westminster Asset Management website.

## Annex 2 – Risk Disclosure

### RISK DISCLOSURE

#### PART I: INTRODUCTION

This Annex cannot disclose all the risks and other significant aspects of our investment products and services. You should satisfy yourself that you fully understand the conditions, which apply to such investment products and services and the potential risk exposures. We will send you regular reports on the services we provide to you and will include in those reports the costs associated with the transactions and services we undertake for you. This Annex is intended to give you information on, and a warning of, the key risks associated with our investment products and services so that you are able to understand the most significant risks associated with the investment products and services being offered and, consequently, to take investment decisions on a more informed basis. You should consider this Annex carefully before deciding whether or not to invest in any of our investment products. You must not rely on the guidance contained in this Annex as investment advice based on your personal circumstances, nor as a recommendation to enter into any investment service or invest in any investment product. Where you are unclear as to the meaning of any of the disclosures or warnings described below, we would strongly recommend that you seek independent legal or financial advice. You should not invest in any investment product or agree to receive any investment service unless you understand the nature of the contract you are entering into and the extent of your exposure to risk. You should also be satisfied that any product or service is suitable for you in light of your financial position and investment objectives and, where necessary, you should seek appropriate independent advice in advance of making any investment decisions. All financial products carry a certain degree of risk. Even “low risk” investment strategies involve an element of uncertainty. The types of risk that might apply will depend on various matters, including how any relevant product instrument or service agreement is created or drafted. Different instruments involve different levels of exposure to risk. Risk factors may occur simultaneously and may compound each other resulting in an unpredictable effect on the value of any investment. The value of investments and the income from them can fall as well as rise and you might lose the original amount invested. Fluctuations in such value and income can result from factors such as market movements and variations in exchange rates. Past performance is not a reliable indicator of future results.

**PART II: PRODUCTS AND INVESTMENTS** Set out below is an outline of the major risks that may be associated with an investment in certain types of financial instruments. This Part II should be read in conjunction with Parts III and IV.

#### 1. SHARES AND OTHER TYPES OF EQUITY INSTRUMENTS

**1.1 General;** When you buy or subscribe for equities issued by a company, you are buying a part of that company and you become a shareholder in it. The aim is for the value of your shares to grow over time as the value of the company increases in line with its profitability and growth. In addition, you may also receive a dividend, which is an income paid out of the company's profits. A risk with an equity investment is that the company must both grow in value and, if it elects to pay dividends to its shareholders, make adequate dividend payments, or the share price may fall. If the share price falls, the company, if listed or traded on-exchange, may

then find it difficult to raise further capital to finance the business. The company's performance may deteriorate in relation to its competitors, leading to further reductions in the share price. Ultimately, the company may become vulnerable to a takeover or may fail. Shares are generally a fairly volatile asset class – their value can go up and down more than other classes. Shares and other types of equity instrument also have exposure to the ‘Generic Risk Types’ listed in Part III below, which include market risk (e.g. problems in the company's industry sector), and liquidity risk (whereby shares could become very difficult to sell, particularly if the company is private (i.e. not listed or traded on an exchange), or is listed but only traded infrequently). Note that if a company goes into liquidation, its shareholders rank behind the company's creditors (including its subordinated creditors) in relation to the realisation and distribution of the company's assets – with the result that a shareholder will normally only receive money from the liquidator once all of the creditors of the company have been paid in full, if any proceeds of the liquidation remain.

**1.2 Ordinary shares;** Ordinary shares are issued by limited liability companies as the primary means of raising risk capital. The issuer has no obligation to repay the original cost of the share, or the capital, to the shareholder until the issuer is wound up (in other words, the issuer company ceases to exist). In return for the capital investment in the share, the issuer may make discretionary dividend payments to shareholders, which could take the form of cash or additional shares. Ordinary shares usually carry a right to vote on certain issues at general meetings of the issuer. There is no guaranteed return on an investment in ordinary shares for the reasons set out in 1.1 above and in a liquidation of the issuer, ordinary shareholders are amongst the last who have a right to repayment of their capital and any surplus funds of the issuer, which could lead to a loss of a substantial proportion, or all, of the original investment.

**1.3 Preference shares;** Unlike ordinary shares, preference shares give shareholders the right to a fixed dividend, the calculation of which is not based on the success of the issuer company. They therefore tend to be a less risky form of investment than ordinary shares. Preference shares do not usually give shareholders the right to vote at general meetings of the issuer, but shareholders will have a greater preference to any surplus funds of the issuer than ordinary shareholders, should the issuer go into liquidation.

**1.4 Depositary receipts;** Depositary receipts include American or European Depositary Receipts (ADRs or EDRs), Global Depositary Receipts or Shares (GDRs or GDSs) or other similar global instruments that are receipts representing ownership of shares of a foreign based issuer. They are typically issued by a bank and will represent a specific number of shares in a company. Depositary receipts are designed for U.S. and European securities markets as alternatives to purchasing underlying securities in their corresponding national markets and currencies. They are traded on a stock exchange, which may be local or overseas to the issuer of the receipt. They may facilitate investment in the company due to the widespread availability of price information, lower transaction costs and timely dividend distributions. The risks involved relate both to the underlying share (see 1.1 - 1.3 above) and to the bank issuing the receipt.

**1.5 Penny shares;** A “penny share” is a term used to describe shares, which have a speculative appeal because of their low value. It is likely that there will be a big difference between the buying price and the selling price of these shares. The price may change quickly and it may go down as well as up. If the equities in which you are invested include penny shares, you should be aware that there may be a significant difference between the purchase and

sale price of such shares and, if you need to sell the shares, you may get back much less than you paid for them.

## 2. WARRANTS

2.1 A warrant is a time-limited right to subscribe for shares, debentures, loan stock or government securities and is exercisable against the issuer of the warrant. The issuer of the warrant might be either the original issuer of the underlying securities or a third party issuer that has set aside a pool of the underlying securities to cover its obligations under the warrants (these are called covered warrants). A relatively small movement in the price of the underlying security could result in a disproportionately large movement, unfavourable or favourable, in the price of the warrant. The prices of warrants can therefore be volatile. The right to subscribe for any of the investment products listed in 1 above or 3 or 4 below, which a warrant confers, is invariably limited in time with the consequence that if the investor fails to exercise this right within the pre-determined time-scale then the investment becomes worthless. If subscription rights are exercised, the warrant holder may be required to pay to the issuer additional sums (which may be at or near the value of the underlying assets). Exercise of the warrant will give the warrant holder all the rights and risks of ownership of the underlying investment product. Each warrant is a contract between the warrant issuer and the holder. You are therefore exposed to the risk that the issuer will not perform its obligations under the warrant. A warrant is potentially subject to all of the 'Generic Risk Types' listed in Part III below. You should not buy a warrant unless you are prepared to sustain a total loss of the money you have invested plus any commission or other transaction charges. Some other instruments are also called warrants but are actually options (for example, a right to acquire securities which is exercisable against someone other than the original issuer of the securities, often called a covered warrant). For these instruments, see 7.3 below.

## 3. MONEY-MARKET INSTRUMENTS

3.1 A money-market instrument is a borrowing of cash for a period, generally no longer than six months, but occasionally up to one year, in which the lender takes a deposit from the money markets in order to lend (or advance) it to the borrower. Unlike in an overdraft, the borrower must specify the exact amount and the period for which he wishes to borrow. Like other debt instruments (see 4 below), money market instruments may be exposed to all of the 'Generic Risk Types' listed in Part III below, in particular credit and interest rate risk.

4. DEBT INSTRUMENTS/ BONDS/ DEBENTURES 4.1 All debt instruments are potentially exposed to all of the 'Generic Risk Types' listed in Part III below, in particular credit risk and interest rate risk. Debt securities may be subject to the risk of the issuer's inability to meet principal and interest payments on the obligation and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer, general market liquidity, and other economic factors, amongst other issues. When interest rates rise, the value of corporate debt securities can be expected to decline. Fixed-rate transferable debt securities with longer maturities tend to be more sensitive to interest rate movements than those with shorter maturities.

## 5. UNITS IN COLLECTIVE INVESTMENT SCHEMES

5.1 Collective investment schemes and their underlying assets are potentially exposed to all of the 'Generic Risk Types' listed in Part

III below. There are many different types of collective investment schemes. Generally, a collective investment scheme will involve an arrangement that enables a number of investors to 'pool' their assets and have these professionally managed by an independent manager. Investments may typically include gilts, bonds and quoted equities, but depending on the type of scheme, may go wider into derivatives, real estate or any other asset. There may be risks on the underlying assets held by the scheme and investors are advised, therefore, to check whether the scheme holds a number of different assets, thus spreading its risk. Subject to this, investment in such schemes may reduce risk by spreading the investor's investment more widely than may have been possible if he or she was to invest in the assets directly. The reduction in risk may be achieved because the wide range of investments held in a collective investment scheme can reduce the effect that a change in the value of any one investment may have on the overall performance of the portfolio. Although, therefore, seen as a way to spread risks, the portfolio price can fall as well as rise and, depending on the investment decisions made, a collective investment scheme may be exposed to many different major risk types. Some collective investment schemes are regulated, which means that there are rules about (and limits on) the types of underlying investments in which the collective investment scheme can invest and the frequency and price at which investments in the collective investment scheme can be redeemed. In particular, the rules applicable to regulated collective investment schemes limit the extent to which they can invest in derivatives or leverage their portfolios. Regulated collective investment schemes include authorised unit trusts, OEICs (open-ended investment companies, which are the same as ICVCs – Investment Companies with Variable Capital); SICAV (Societe d'investissement a capital variable); and FCPs (Fonds communs de placement). Other collective investment schemes are unregulated, which means that there are very few rules (or no rules) about the types of investments in which they can invest or the frequency at which they can be redeemed. Four of the most common types of unregulated collective investment scheme are hedge funds and fund of funds (in relation to each of which see 6 below), private equity funds and some real estate funds.

## 6. HEDGE FUND INVESTMENTS

6.1 A hedge fund is an unregulated collected investment scheme. It is an actively managed portfolio, which aims to exploit market inefficiencies using a variety of sophisticated investment strategies in order to achieve a positive return in most market conditions. The investment return may not closely mirror familiar market indices. The managers may buy and sell a wide variety of financial securities including bonds, equities, options and derivatives. The investment techniques employed may include selling securities not already owned with a view to buying them back at a lower price in the future (a technique referred to as short selling), insofar as this technique is permitted under the applicable regulatory regime. Managers may also borrow funds in order to facilitate transactions and to generate improved returns (known as gearing or leverage). These and other techniques introduce additional financial risks, which may not be present in other investments. Sophisticated monitoring of the current investment positions by the hedge fund managers aims to limit the level of risk involved but unforeseen circumstances may result in part or total loss of your investment. A "fund of funds" may invest in a portfolio of hedge funds and accounts managed by third party managers, utilising a variety of strategies. Hedge funds are potentially subject to all of the 'Generic Risk Types' listed in Part III below. They may



also be subject to the following additional risk factors. (a) Borrowing Effect. They use a variety of financial instruments, loans and short selling which can result in a substantial gearing effect. This gives rise to the possibility that small price movements can have a disproportionate effect on the fund value and sometimes a total loss of capital to the investor. (b) Dealing. Purchases and sales are usually made through the hedge fund manager. Dealing dates for these funds are typically monthly or quarterly and in extreme market conditions, dealing frequency may be extended. You may not be able to realise your investment at short notice. Hedge funds are long-term investments but under certain circumstances may be closed to new investment or may be redeemed. (c) Pricing and Valuations. Hedge fund managers generally provide calculations of the net asset value on a monthly basis. Orders are placed in advance of the publication of the dealing price. (d) Regulatory framework. Hedge funds are usually domiciled in countries with minimal or no legal or regulatory framework (so-called "offshore funds"). The legal risks involved in enforcing possible claims may also need to be taken into account. (e) Potential conflicts of interest. A substantial proportion of the manager's remuneration is based on a performance fee. Managers can hold a substantial stake in the funds they manage and may have a direct or indirect interest in the underlying investments. (f) Tax. The tax treatment of hedge funds may differ from your other investments and we recommend that investors get specialist tax advice where they have a concern.

7. DERIVATIVES, INCLUDING OPTIONS, FUTURES, SWAPS, FORWARD RATE AGREEMENTS, DERIVATIVE INSTRUMENTS FOR THE TRANSFER OF CREDIT RISK, FINANCIAL CONTRACTS FOR DIFFERENCES The risks set out in 7.1 - 7.5 below may arise in connection with all types of derivative contract, whether it is in the form of a listed instrument, an OTC instrument, or a securitised product such as a note or a certificate.

#### 7.1 Derivatives

Generally; A derivative is a financial instrument, the value of which is derived from an underlying asset's value. Rather than trade or exchange the asset itself, an agreement is entered into to exchange money, assets or some other value at some future date based on the underlying asset. A premium may also be payable to acquire the derivative instrument. There are many types of derivative, but options, futures and swaps are among the most common. An investor in derivatives often assumes a high level of risk, and therefore investments in derivatives should be made with caution, especially for less experienced investors or investors with a limited amount of capital to invest. Derivatives usually have a high risk connected with them, predominantly as there is a reliance on the performance of underlying assets, which is unpredictable. Options or futures can allow a person to pay only a premium to have exposure to the performance of an underlying asset, and while this can often lead to large returns if the investor has made correct assumptions with regard to performance, it could lead to a 100% loss (the premium paid) if incorrect. Options or futures sold "short" or uncovered (i.e. without the seller owning the asset at the time of the sale) may lead to great losses if, depending on the nature of the derivative, the price of the underlying asset falls or rises significantly. If a derivative transaction is particularly large or if the relevant market is illiquid (as may be the case with many privately negotiated off-exchange derivatives), it may not be possible to initiate a transaction or liquidate a position at an advantageous price. On-exchange derivatives are subject, in addition, to the risks of exchange trading generally, including potentially the requirement to provide margin. Off-exchange

derivatives may take the form of unlisted transferable securities or bi-lateral "over the counter" contracts ("OTC"). Although these forms of derivatives may be traded differently, both arrangements may be subject to credit risk of the Issuer (if transferable securities) or the counterparty (if OTCs) and, like any contract, are subject also to the particular terms of the contract (whether a one-off transferable security or OTC, or a master agreement), as well as all of the 'Generic Risk Types' listed in Part III below. In particular, with an OTC contract, the counterparty may not be bound to "close out" or liquidate this position, and so it may not be possible to terminate a loss-making contract. Derivatives can be used for speculative purposes or as hedges to manage other investment risks. In all cases, the suitability of the transaction for the particular investor should be very carefully considered. You are therefore advised to ask about the terms and conditions of the specific derivatives and associated obligations (e.g. the circumstances under which you may become obligated to make or take delivery of an underlying asset and, in respect of options, expiration dates and restrictions on the time for exercise). Under certain circumstances, the specifications of outstanding contracts (including the exercise price of an option) may be modified by the exchange or Clearing House to reflect changes in the underlying asset. Normal pricing relationships between the underlying asset and the derivative may not exist in all cases. This can occur when, for example, the futures contract underlying the option is subject to price limits while the option is not. The absence of an underlying reference price may make it difficult to assess 'fair' value. The points set out below in relation to different types of derivative are not only applicable specifically to these derivatives but are also applicable more widely to derivatives generally. All derivatives are potentially subject to all of the 'Generic Risk Types' listed in Part III below, especially market risk, credit risk and any specific sector risks connected with the underlying asset.

#### 7.2 Futures/Forwards/Forward rate agreements

Transactions in futures or forwards involve the obligation to make, or to take, delivery of the underlying asset of the contract at a future date, or in some cases to settle the position with cash. They carry a high degree of risk. The 'gearing' or 'leverage' often obtainable in futures and forwards trading means that a small deposit or down payment can lead to large losses as well as gains. It also means that a relatively small movement can lead to a proportionately much larger movement in the value of your investment, and this can work against you as well as for you. Futures and forwards transactions have a contingent liability, and you should be aware of the implications of this, in particular margining requirements: these are that, on a daily basis, with all exchange-traded, and most OTC off-exchange, futures and forwards, you will have to pay over in cash losses incurred on a daily basis and if you fail to, the contract may be terminated. See, further, 1 and 2 of Part IV below.

#### 7.3 Options

An option gives the buyer of the option the right (but not the obligation) to acquire an underlying security or other asset at a future date and at a pre-agreed price. There are many different types of options with different characteristics subject to the following conditions. Put option: a put option is an option contract that gives the holder (buyer) of the option the right to sell a certain quantity of an underlying security to the writer of the option at a specified price (the strike price) up to a specified date (the expiration date). Call option: a call option is an option contract that gives the holder (buyer) the right to buy a certain quantity of an underlying security from the writer of the option, at a specified price (the strike price) up to a specified date (the expiration date).

Buying options: Buying options involves less risk than selling options because, if the price of the underlying asset moves against you, you can simply allow the option to lapse. The maximum loss is limited to the premium, plus any commission or other transaction charges. However, if you buy a call option on a futures contract and you later exercise the option, you must acquire the future. This will expose you to the risks described under 'futures' and 'contingent liability investment transactions'. Writing options: If you write an option, the risk involved is considerably greater than buying options. You may be liable for margin to maintain your position (as explained in 7.2 above) and a loss may be sustained well in excess of the premium received. By writing an option, you accept a legal obligation to purchase or sell the underlying asset if the option is exercised against you, however far the market price has moved away from the exercise price. If you already own the underlying asset which you have contracted to sell (known as 'covered call options') the risk is reduced. If you do not own the underlying asset (known as 'uncovered call options') the risk can be unlimited. Only experienced persons should contemplate writing uncovered options, and then only after securing full details of the applicable conditions and potential risk exposure. Traditional options: Certain London Stock Exchange member firms under special exchange rules write a particular type of option called a 'traditional option'. These may involve greater risk than other options. Two-way prices are not usually quoted and there is no exchange market on which to close out an open position or to effect an equal and opposite transaction to reverse an open position. It may be difficult to assess its value or for the seller of such an option to manage his exposure to risk. Certain options markets operate on a margined basis, under which buyers do not pay the full premium on their option at the time they purchase it. In this situation, you may subsequently be called upon to pay margin on the option up to the level of your premium. If you fail to do so as required, your position may be closed or liquidated in the same way as a futures position.

#### 7.4 Contracts for differences

Certain derivatives are referred to as contracts for differences. These can be options and futures on the FTSE 100 index or any other index of an exchange, as well as equity, currency and interest rate swaps, amongst others. However, unlike other futures and options (which may, depending on their terms, be settled in cash or by delivery of the underlying asset), these contracts can only be settled in cash. Investing in a contract for differences carries the same risks as investing in a future or an option as referred to in 7.2 and 7.3 above. Transactions in contracts for differences may also have a contingent liability (see Part IV).

#### 7.5 Swaps

A swap is a derivative where two counterparties exchange one stream of cash flows against another stream. A major risk of off-exchange derivatives (including swaps) is known as counterparty risk, whereby a party is exposed to the inability of its counterparty to perform its obligations under the relevant Financial Instrument. If a party, A, wants a fixed interest rate loan and so swaps a variable rate loan with another party, B, thereby swapping payments, this will synthetically create a fixed rate for A. However, if B goes insolvent, A will lose its fixed rate and will be paying a variable rate again. If interest rates have gone up a lot, it is possible that A will struggle to repay. The swap market has grown substantially in recent years, with a large number of banks and investment banking firms acting both as principals and as agents, utilising standardised swap documentation to cover swaps trading over a broad range of underlying assets. As a result, the swap market for certain underlying assets has become more liquid, but

there can be no assurance that a liquid secondary market will exist at any specified time for any particular swap.

## 8. COMBINED INSTRUMENTS

8.1 Any combined instrument, such as a bond with a warrant attached, is exposed to the risk of both those products and so combined products may contain a risk which is greater than those of its components generally, although certain combined instruments (such as principal protected instruments) may contain risk mitigation features. Structured products are a type of combined instrument. They are generally a type of fixed term investment where the amount you earn depends on the performance of a specific market (such as the FTSE 100) or specific assets (such as shares in individual companies or the value of commodities). Structured products can have a number of complicated features that define the return you might get. The income or growth is usually not guaranteed and you may get no return on your investment. The deduction of costs and charges could also mean you get back less than you invested. Consequently, structured products will not be appropriate for all clients and simpler alternatives may better meet your needs.

## PART III: GENERIC RISK TYPES

### 1. GENERAL

1.1 The price or value of an investment will depend on fluctuations in the financial markets outside of anyone's control. Past performance is no indicator of future performance. The nature and extent of investment risks varies between countries and from investment to investment. These investment risks will vary with, amongst other things, the type of investment being made, including how the financial products have been created or their terms drafted, the needs and objectives of particular investors, the manner in which a particular investment is made or offered, sold or traded, the location or domicile of the Issuer, the diversification or concentration in a portfolio (e.g. the amount invested in any one currency, security, country or issuer), the complexity of the transaction and the use of leverage. The 'Generic Risk Types' set out below could have an impact on each type of investment product or service.

### 2. LIQUIDITY

2.1 The liquidity of an instrument is directly affected by the supply and demand for that instrument and also indirectly by other factors, including market disruptions (for example a disruption on the relevant exchange) or infrastructure issues, such as a lack of sophistication or disruption in the securities settlement process. Under certain trading conditions, it may be difficult or impossible to liquidate or acquire a position. This may occur, for example, at times of rapid price movement if the price rises or falls to such an extent that under the rules of the relevant exchange, trading is suspended or restricted. Placing a stop-loss order will not necessarily limit your losses to intended amounts, but market conditions may make it impossible to execute such an order at the stipulated price. In addition, unless the contract terms so provide, a party may not have to accept early termination of a contract or buy back the relevant product. The liquidity of an instrument may also be affected by the size of a proposed transaction, for example, it may not be possible to execute a particularly large order under normal market conditions or an order below a minimum threshold may need to be combined with other orders before it can be executed. In addition, private company or unlisted shares or those in companies which are subject to liquidation (or other insolvency)

procedures may not be easily traded and rely on specific offers being made for the purchase (or sale) of them. Liquidity can also be impacted by the settlement cycle for the particular instrument, as it may not be possible to purchase a new instrument until the one being sold has completed that cycle.

### 3. CREDIT RISK

3.1 Credit risk is the risk of loss caused by borrowers, bond obligors, or counterparties failing to fulfil their obligations, or the risk of such parties' credit quality deteriorating.

### 4. MARKET RISK

#### 4.1 General

The price or value of an investment will depend on fluctuations in the financial markets outside our control such as market supply and demand, investor perception and the prices of any underlying or allied investments.

#### 4.2 Overseas markets

Any overseas investment or investment with an overseas element will be subject to the risks of overseas markets, which may involve different risks from your home market. In some cases, the risks will be greater. The potential for profit or loss from transactions on overseas markets, or from contracts denominated in a currency that is different from your home currency, will be affected by fluctuations in exchange rates.

4.3 Emerging markets Price volatility in emerging markets, in particular, can be extreme. Price discrepancies can be common and unpredictable movements in the market not uncommon. Additionally, as news about a country becomes available, the financial markets may react with dramatic upswings and downswings in prices during a very short period of time. Emerging markets generally lack the level of transparency, liquidity, efficiency, market infrastructure, and regulation found in more developed markets. For example, these markets might not have regulations governing manipulation and insider trading or other provisions designed to "level the playing field" with respect to the availability of information and the use or misuse thereof in such markets. They may also be affected by political risk. It may be difficult to employ certain risk and legal uncertainty management practices for emerging markets investments, such as forward currency exchange contracts or derivatives.

### 5. CLEARING HOUSE PROTECTIONS

5.1 On many exchanges, the performance of a transaction may be "guaranteed" by the exchange or clearing house. However, this guarantee is usually in favour of the exchange or clearing house member and cannot be enforced by the client who may, therefore, be subject to the credit and insolvency risks of the firm through whom the transaction was executed.

### 6. INSOLVENCY

6.1 The insolvency or default of the firm with whom you are dealing, or of any brokers involved with your transaction, may lead to positions being liquidated or closed out without your consent or, indeed, investments not being returned to you. There is also insolvency risk in relation to the investment itself, for example of the company that issued the bond or of the counterparty to the off-exchange derivatives (where the risk relates to the derivative itself and to any collateral or margin held by the counterparty).

### 7. CURRENCY RISK

7.1 In respect of any foreign exchange transactions and transactions in derivatives and securities that are denominated in

a currency other than that in which your Account is denominated, a movement in exchange rates may have a favourable or an unfavourable effect on the gain or loss achieved on such transactions. The weakening of a country's currency relative to a benchmark currency or the currency of your portfolio will negatively affect the value of an investment denominated in that currency. Currency valuations are linked to a host of economic, social and political factors and can fluctuate greatly, even during intra-day trading. Some countries have foreign exchange controls, which may include the suspension of the ability to exchange or transfer currency, or the devaluation of the currency. Hedging can increase or decrease the exposure to any one currency, but may not eliminate completely exposure to changing currency values.

### 8. INTEREST RATE RISK

8.1 Interest rates can rise as well as fall. A risk exists with interest rates that the relative value of a security, especially a bond, will worsen due to an interest rate increase. This could impact negatively on other products.

### 9. REGULATORY/LEGAL RISK

9.1 All investments could be exposed to regulatory or legal risk. Returns on all, and particularly new, investments are at risk from regulatory or legal actions and changes which can, amongst other issues, alter the profit potential of an investment. Legal changes could even have the effect that a previously acceptable investment becomes illegal. Changes to related issues such as tax may also occur and could have a large impact on profitability. Such risk is unpredictable and can depend on numerous political, economic and other factors. For this reason, this risk is greater in emerging markets but does apply everywhere. In emerging markets, there is generally less government supervision and regulation of business and industry practices, stock exchanges and over-the-counter markets. The type of laws and regulations with which investors are familiar in the EEA may not exist in some places, and where they do, may be subject to inconsistent or arbitrary application or interpretation and may be changed with retroactive effect. Both the independence of judicial systems and their immunity from economic, political or nationalistic influences remain largely untested in many countries. Judges and courts in many countries are generally inexperienced in the areas of business and corporate law. Companies are exposed to the risk that legislatures will revise established law solely in response to economic or political pressure or popular discontent. There is no guarantee that an overseas investor would obtain a satisfactory remedy in local courts in case of a breach of local laws or regulations or a dispute over ownership of assets. An investor may also encounter difficulties in pursuing legal remedies or in obtaining and enforcing judgments in overseas courts.

### 10. OPERATIONAL RISK

10.1 Operational risk, such as breakdowns or malfunctioning of essential systems and controls, including IT systems, can impact on all financial products. Business risk, especially the risk that the business is run incompetently or poorly, could also affect shareholders of, or investors in, such a business. Personnel and organisational changes can severely affect such risks and, in general, operational risk may not be apparent from outside the organisation.

## 11. LIQUIDITY AND DISCRETIONARY INVESTMENT SERVICES ACCOUNTS

11.1 Withdrawals that you make from discretionary investment services may adversely affect the overall performance of your portfolio. Furthermore, where you instruct us to purchase or liquidate sizeable assets in a given portfolio with concentrations in a particular market, then this may affect the price: e.g., a significant withdrawal from a portfolio may compel us to sell positions at a price that we normally would not have sold at.

## 12. U.S. DEPOSITOR PREFERENCE

12.1 In the liquidation or other resolution of a U.S. insured depository institution, deposits in U.S. offices and certain claims for administrative expenses and employee compensation are afforded a priority over other general unsecured claims, including deposits in offices outside the U.S.

## PART IV: TRANSACTION AND SERVICE RISKS

### 1. CONTINGENT LIABILITY INVESTMENT TRANSACTIONS

1.1 Contingent liability investment transactions, which are margined, require you to make a series of payments against the purchase price, instead of paying the whole purchase price immediately. If you trade in futures, contracts for differences or sell options, you may sustain a total loss of the margin you deposit with your firm to establish or maintain a position. If the market moves against you, you may be called upon to pay substantial additional margin at short notice to maintain the position. If you fail to do so within the time required, your position may be liquidated at a loss and you must be responsible for the resulting deficit. Even if a transaction is not margined, it may still carry an obligation to make further payments in certain circumstances over and above any amount paid when you entered the contract. Margined or contingent liability transactions that are not traded on a recognised or designated investment exchange may be exposed to substantially greater risks. Where we are managing investments for you and your Account includes an uncovered open position in a contingent liability transaction, we will report to you any loss exceeding any predetermined threshold agreed between us no later than the end of the business day on which the threshold is exceeded or (where it is exceeded on a non business day), the next business day.

### 2. COLLATERAL

2.1 If you deposit collateral as security with us, the way in which it will be treated will vary according to the TERMS & CONDITIONS, the type of transaction and where it is traded. There could be significant differences in the treatment of your collateral, depending on whether you are trading on a regulated market (see 4 below), with the rules of that exchange (and the associated clearing house) applying, or trading on another exchange or, indeed, off-exchange.

### 3. OFF-EXCHANGE TRANSACTIONS

3.1 Certain financial services authorities have categorised certain exchanges as recognised or designated investment exchanges. A list of these exchanges can be found on the relevant regulator's website. Transactions which are traded elsewhere (i.e. "off-exchange") may be exposed to substantially greater risks. Unless you instruct us otherwise, we may deal for you in circumstances in which the relevant transaction is off-exchange. Such transactions may not be subject to the same investor protection standards as

transactions executed on a recognised or designated investment exchange.

### 4. LIMITED LIABILITY TRANSACTIONS

4.1 Before entering into a limited liability transaction, you should obtain from the firm a formal written statement confirming that the extent of your loss liability on each transaction will be limited to an amount agreed by you before you enter into the transaction. The amount you can lose in limited liability transactions will be less than in other margined transactions, which have no predetermined loss limit. Nevertheless, even though the extent of loss will be subject to the agreed limit, you may sustain the loss in a relatively short time. Your loss may be limited, but the risk of sustaining a total loss to the amount agreed is substantial.

### 5 COMMISSIONS

5.1 Before you begin to trade, you should obtain details of all commissions and other charges for which you will be liable. If any charges are not expressed in money terms (but, for example, as a percentage of contract value), you should obtain a clear and written explanation, including appropriate examples, to establish what such charges are likely to mean in specific monetary terms. In the case of futures, when commission is charged as a percentage, it will normally be as a percentage of the total contract value, and not simply as a percentage of your initial payment.

### 6. SUSPENSIONS OF TRADING AND GREY MARKET INVESTMENTS

6.1 Under certain trading conditions it may be difficult or impossible to liquidate a position. This may occur, for example, at times of rapid price movement if the price rises or falls in one trading session to such an extent that under the rules of the relevant exchange, trading is suspended or restricted. Placing a stop loss order will not necessarily limit your losses to the intended amounts, because market conditions may make it impossible to execute such an order at the stipulated price. Transactions may be entered into in: (a) a security whose listing on an exchange is suspended, or the listing of or dealings in which have been discontinued, or which is subject to an exchange announcement suspending or prohibiting dealings; or (b) a grey market security, which is a security for which application has been made for listing or admission to dealings on an exchange where the security's listing or admission has not yet taken place (otherwise than because the application has been rejected) and the security is not already listed or admitted to dealings on another exchange. There may be insufficient published information on which to base a decision to buy or sell such securities.

### 7. DEPOSITED CASH AND PROPERTY

7.1 You should familiarise yourself with the protections accorded to you in respect of money or other property you deposit for domestic and foreign transactions, particularly in the event of a firm insolvency or bankruptcy. Certain property may be held by a third party outside the UK and the Crown Dependencies (which may also be outside the European Economic Area ("EEA")), and as such, the legal and regulatory regime applying to (and therefore your rights relating to) any such property may be different from that of the UK or the Crown Dependencies (or elsewhere in the EEA). It may not be possible for that property (other than cash) to be separately identifiable. For this reason, you may not get back the same assets, which you deposited. The extent to which you may recover your cash or other property may also be governed by specific legislation or local rules. In some jurisdictions, property, which had been specifically identifiable as your own, will be pro-

rated in the same manner as cash for purposes of distribution in the event of a shortfall. Your cash or other property may be deposited with a third party who may have a security interest, lien or right of set-off in relation to that property.

## 8. STABILISATION

8.1 Transactions may be carried out in securities where the price may have been influenced by measures taken to stabilise it. Stabilisation enables the market price of a security to be maintained artificially during the period when a new issue of securities is sold to the public. Stabilisation may affect not only the price of the new issue but also the price of other securities relating to it. Regulations allow stabilisation in order to help counter the fact that, when a new issue comes on to the market for the first time, the price can sometimes drop for a time before buyers are found. Stabilisation is carried out by a 'stabilisation manager' (normally the firm chiefly responsible for bringing a new issue to market). As long as the stabilising manager follows a strict set of rules, he is entitled to buy back securities that were previously sold to investors or allotted to institutions, which have decided not to keep them. The effect of this may be to keep the price at a higher level than it would otherwise be during the period of stabilisation. The Stabilisation Rules: (a) limit the period when a stabilising manager may stabilise a new issue; (b) fix the price at which he may stabilise (in the case of shares and warrants but not bonds); and (c) require him to disclose that he may be stabilising but not that he is actually doing so. The fact that a new issue or a related security is being stabilised should not be taken as any indication of the level of interest from investors, nor of the price at which they are prepared to buy the securities.

## 9. NON-READILY REALISABLE INVESTMENTS

10.1 Both exchange listed and traded and off-exchange investments may be non-readily realisable. These are investments in which the market is limited or could become so. Accordingly, it may be difficult to assess their market value and to liquidate your position.

## 10. STRATEGIES

10.1 Particular investment strategies will carry their own particular risks. For example, certain strategies, such as 'spread' position or a 'straddle', may be as risky as a simple 'long' or 'short' position.

## PART V: PROFESSIONAL DISCLOSURES

Except where noted, this Part V of this Annex will not apply to you unless you have been classified as a Professional Client.

Please note that (as for retail clients) we will send you regular reports on the services we provide to you and will include in those reports the costs associated with the transactions and services we undertake for you.

We may provide you with services in relation to all types of financial instruments, including:

- transferable securities;
- money market instruments;
- units in collective investment undertakings;
- options, futures, swaps, forward rate agreements and any other derivatives contracts relating to: commodities, whether cash or physical settled and whether or not traded on a regulated market or MTF, climatic variables,

freight rates, commission allowances or inflation rates or other official economic statistics

- derivative instruments for the transfer of credit risk
- financial contracts for differences
- other derivative contracts

As for retail clients, we will send you a confirmation of each transaction undertaken with or for you, promptly after entering into that transaction with or for you. We will promptly send you the essential information concerning the execution of the order.

In deciding to deal with us in such financial instruments generally, and in any particular case, you must have already assessed the risks involved in those financial instruments and in any related services and strategies, which may (as relevant) include any of, or a combination of any of, the following:

- credit risk
- market risk
- liquidity risk
- interest rate risk
- FX risk business, operational and insolvency risk
- the risks of OTC, as opposed to on-exchange, trading, in terms of issues like the clearing house 'guarantee', transparency of prices and ability to close out positions
- contingent liability risk
- regulatory and legal risk

In relation to any particular product or service there may be particular risks, which are drawn to your attention in the relevant term sheet, offering memorandum or prospectus.

You must not rely on the above as investment advice based on your personal circumstances, nor as a recommendation to enter into any of the services or invest in any of the products listed above. Where you are unclear as to the meaning of any of the above disclosures or warnings, we would strongly recommend that you seek independent legal or financial advice.

### Annex 3 - Conflicts of Interest Policy

Westminster Asset Management is required to establish, implement and maintain an effective Conflict of Interest Policy. A conflict of interest may arise due to:

- (1) a material interest in a transaction to be entered into with or for a customer;
- (2) a relationship that gives, or may give, rise to a conflict of interest relating to the investment, transaction or service concerned;
- (3) an interest in a transaction that is, or may be, in conflict with the interest of any of our clients; or
- (4) clients with conflicting interests in relation to a transaction.

We, or any connected person, may have interests, which conflict with those of our clients. We aim to treat our clients fairly and appropriately and one of the ways in which we try to achieve this is to take account of any conflicts of interest that may arise through our business activities if those conflicts may involve a risk of damage to our clients.

We operate effective organisational and administrative arrangements with a view to taking all appropriate steps to identify and to prevent or manage conflicts of interest between:

- (1) us (including our managers, employees, appointed representatives or any other person directly or indirectly linked to them) and you; or
- (2) you and another client of ours that may arise in the course of us providing any service to you and to prevent any such conflicts of interest from adversely affecting our clients' interests.

We may receive minor non-monetary benefits such as training, hospitality of a reasonable de minimus value and research for a trial period in accordance with Applicable Regulations.

We have designed our policies and procedures to make sure that we identify and prevent or manage possible conflicts of interest that arise or may arise between us and our clients and between our clients.

The circumstances, in which a conflict of interest or possible conflict of interest may arise, include where we or any connected person may include:

- Portfolio Management
- Research
- Personal Account Dealing
- Gifts and Hospitality
- The activities of other connected companies

We have in place a number of procedures and measures for preventing or managing conflicts of interest that arise in the course of our business. These measures may include structural separation, which may be physical or otherwise, including creating information barriers, compensation arrangements and or management and supervisory structures and, we may regulate the personal investment and business activities of our employees to prevent conflicts of interest arising against the interests of clients.

If these measures are not enough to make sure, with reasonable certainty, that we will prevent the risks of damage to the interests

of one or more clients, we will clearly explain the general nature and sources of the conflicts to the client concerned and the steps taken to mitigate those conflicts before we carry out business with or for that client. We will also ask their permission before we act. If we believe there is no practical way of preventing damage to the interests of one or more clients, we may refuse to act.

You can ask us for more details of our conflicts of interest policy at any time.