

# Schroders UK Private Banking

---

Terms of Business



**Schroders**  
Private Banking



These Terms set out the basis upon which Schroder & Co. Limited provides services to you (in certain cases these services may be provided by another Schroders Group company).

**You are strongly recommended to read them.**

We may provide a range of services to you including, but not limited to, investment services, custody and banking.

Subject to agreement with us, you may elect to appoint a custodian other than ourselves for one or more Portfolios. You will ensure that any Outside Custodian (i) enters into arrangements with regard to the provision of custody services for the whole or a relevant part of the Portfolio concerned which are satisfactory to us and (ii) is obliged to comply with any of our instructions given in accordance with the Agreement, including directions under paragraphs A18 and B18 of these Terms. We will not be responsible for supervising any Outside Custodian.

Part A of these Terms applies to all services to be provided by us, either when you first set up a relationship with us, or as subsequently agreed. Depending upon the nature of the services to be provided to you, the following parts of these Terms will also be applicable:

- Discretionary investment management and/or cash management services – Part B (sections 1 and 2);
- Investment advisory management services – Part B (sections 1 and 3);
- Execution only services – Part B (sections 1 and 4);
- Custody services – Part C;
- Banking services – Part D

All services provided to you under these Terms are provided on the basis that we are treating you as a **retail client** (unless otherwise stated in the Form of Appointment or elsewhere). Notwithstanding this classification, certain Clients who would not automatically be classified as retail clients pursuant to the FSA's Conduct of Business Sourcebook will not necessarily have rights to complain under the Financial Ombudsman Service, or to compensation under the Financial Services Compensation Scheme.

By signing the Form of Appointment you are deemed to have agreed for yourself and your successors and personal representatives to be bound by the Terms (as amended from time to time). General terms, conditions and rights implied by law shall also apply to the Agreement subject (wherever legally possible) to the Terms.

## Part A – General Terms

### A1 Definitions and Scope

The definitions below are designed for ease of reading. Some are summaries of a full definition which is contained in the FSA Rules (these are marked with \*) or the FSMA. In those cases, the full definition (as amended from time to time) shall apply the purposes of the Agreement. Any other words or phrases used in the Agreement which are defined in the FSA Rules shall have the same meanings in the Agreement.

In these Terms unless the context otherwise requires a reference to one gender shall include all genders, the singular shall include the plural and vice versa, and references to persons shall include bodies corporate, unincorporated associations and partnerships. Unless the context otherwise requires, references in these Terms to any statute or statutory provision shall be construed as a reference to the same may from time to time be amended, modified or re-enacted.

**Account** any or all accounts held with Schroder & Co. Limited by you or to your order, including without limitation any Investment Deposit Account, Fixed Deposit Account and/ or Cash Management Support Account.

**Agreement** the Terms, the Investment Mandate, Form of Appointment (where relevant), Tariff of Charges and any other documents annexed to them, as amended from time to time, which are to be construed as one document together constituting the agreement or framework agreement between the parties and covering one or more Portfolios and/or Accounts.

**\*Associate** an undertaking in the Schroders Group or a person whose relationship with the Schroders Group might reasonably be expected to give rise to a community of interest between them with may involve a conflict of interest in dealings with third parties.

**Bank Rate** the official Sterling Bank Rate as published by the Bank of England from time to time (Bloomberg Code UKBRBASE).

**\*Best Execution** the method whereby we seek to achieve the best possible result when we Execute Orders for our Clients, as described in our Execution Policy.

**Business Day** any day, other than a Saturday, Sunday or public holiday in England.

**Cash Balance** the amount of uninvested cash initially held by us and each further amount of uninvested cash included in a Portfolio and held in an Investment Deposit Account, Cash Management Support Account or elsewhere.

**Cash Management Support Account** an account opened with us in accordance with paragraph C6 where we are to provide you with cash management services.

**Client** a person to whom we provide investment, banking and/or custody services.

**\*Client Money Rules** the rules set out in Chapter 7 of the FSA's Client Assets Sourcebook.

**COBS** the FSA's Conduct of Business Sourcebook.

**Collective Investment Scheme** an arrangement for assets to be held on a pooled basis on behalf of any number of investors, which may be regulated (for example, an authorised unit trust or open ended investment company) or unregulated (for example, an offshore hedge fund or private equity fund), as more particularly defined in section 235 of the FSMA.

**Connected Investment Trust** an investment trust managed by us or an Associate.

**\*Contingent Liability Investment** a Derivatives transaction where you may be liable to make further payments.

**\*Contract for Differences** a contractually based investment relating to fluctuations in an index, price or other criterion.

**Cut Off Times** (in local UK times) 3pm for Sterling and US Dollar payment orders, 12 noon for payment orders in other Relevant Currencies; for cancellation/ revocation/ amendment of direct debit instructions, 12 noon on the Business Day preceding the Business Day agreed for debiting the funds; for cancellation/ revocation/ amendment of standing orders, 12 noon 3 Business Days preceding the Business Day agreed for debiting the funds. For incoming payments, the relevant cut-off time is 4pm for Sterling and US Dollar payments, and 2pm for other Relevant Currencies. The cut-off time for paying in Sterling cheques is 11.30am for the cheque clearing cycle to commence on the day of receipt; cheques received in other currencies will take longer to convert and credit to your account (the length of time depends on the currency and the processes of the agent used). For setting up new direct debits and standing orders, two Business Days should be allowed.

**\*Derivative** an Option, Future or Contract for Differences.

**\*Designated Investment Business** such Regulated Activities as are specified in the FSA Rules as constituting designated investment business.

**EEA** all EU member states and the three member states of the European Free Trade Association (Iceland, Liechtenstein and Norway).

**Execute Orders** act to conclude agreements to buy or sell one or more financial instruments (as defined in the FSA Rules) on behalf of clients.

**Execution Policy** Our arrangements for taking all reasonable steps to obtain Best Execution. Information about our Execution Policy is set out in paragraph B5 and Appendix 2.

**Financial Services Compensation Scheme** the compensation scheme for the protection of investors and depositors which was set up in the UK on 1 December 2001 pursuant to the FSMA.

**\*Financial Ombudsman Service** the scheme provided under Part XVI of the FSMA to investigate complaints against FSA-authorized firms.

**Fixed Deposit Account** an Account to which the additional terms set out in paragraph D17 apply.

**Form of Appointment** the document signed by you or on your behalf (where relevant) and incorporating the contents of the Terms, Investment Mandate and Tariff of Charges.

**\*FSA** the Financial Services Authority, 25 The North Colonnade, Canary Wharf, London E14 5HS (website: [www.fsa.gov.uk](http://www.fsa.gov.uk)) set up pursuant to the FSMA to regulate the financial services industry in the UK, or any successor body or bodies performing similar regulatory functions.

**FSA Rules** the FSA Handbook of rules and guidance.

**FSMA** the Financial Services and Markets Act 2000 (and any secondary legislation made thereunder).

**\*Future** a contract to buy or sell a commodity or any other property under which delivery is to be made at a future date at a price agreed upon when the contract is made.

**Gearing** a strategy, with a view to enhancing the return from, or the value of, an Investment without increasing the amount invested, involving one or more of the following: (i) borrowing money; (ii) investing in one or more instruments, such as (but not limited to) Warrants or Derivatives, for which a relatively small movement in the value or price of the underlying rights or assets to which the instruments relates, whether favourable or adverse, results in a larger movement in the value or price of the instrument; and (iii) structuring the rights of holders of an Investment so that a relatively small movement in the price or value of the underlying rights or assets, whether favourable or adverse, results in a larger movement in the price or value of the Investment.

**HMRC** the Commissioners of Her Majesty's Revenue and Customs.

**In-House Collective Investment Scheme** a Collective Investment Scheme of which we or an Associate are the manager and/or adviser.

**Investment Deposit Account** an account opened pursuant to paragraph C5.

**Investment Mandate** the document forming part of the Agreement which sets out the terms specific to the agreement between us and you including any agreed performance benchmark.

**Investment** an investment, including, but not limited to, Securities and Cash Balances (held within an Investment Deposit Account, Cash Management Support Account and/or elsewhere, as the case may be).

**ISA** an Investment Savings Account in respect of which you appoint us as discretionary investment manager or in respect of which you have otherwise delegated authority to us in writing.

**Key Facts Document** a document, including a key features document or simplified prospectus, providing detailed information about a life policy, Collective Investment Scheme or stakeholder pension scheme which is required to be produced under the FSA Rules.

**Micro-enterprise** an enterprise which employs fewer than 10 persons and has a turnover or annual balance sheet that does not exceed €2 million. In this definition, "enterprise" means any person engaged in an economic activity, irrespective of legal form and includes, in particular, self-employed persons and family businesses engaged in craft or other activities, and partnerships or associations regularly engaged in an economic activity.

**Nominated Account** a bank account specified as your nominated bank account in the Form of Appointment or otherwise in writing.

**Non-payment Account** any type of bank account other than a Payment Account, including a Fixed Deposit Account, a Structured Deposit, an Investment Deposit Account, a Call Deposit Account, a Cash Management Support Account and any credit facility account.

**\*Option** an option to acquire or dispose of Investments, currencies or commodities.

**Outside Custodian** the person (if any), not being a party to the Agreement or an Associate, charged with providing custody services for you.

**Payment Account** a Special Account or a Deposit Reserve Account in a Relevant Currency or any other Account that comes within the definition of a payment Account under the Payment Services Regulations 2009

**Portfolio** a portfolio of assets (including cash held in a Cash Management Support Account or Investment Deposit Account (as the case may be)) entrusted from time to time by you to us, and any ISA.

**\*Private Customer** a Client categorised by us as a retail client under the FSA Rules.

**\*Regulated Activities** those activities we undertake which are regulated activities as defined in the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001.

**Regulated Market** a market for Securities or Derivatives that is regulated by the FSA or another European regulator, as more particularly defined in the FSA Rules.

**Relevant Currency** Sterling (GBP), euros (EUR) or any other currency of an EEA state.

**\*Retail Customer** an individual acting for purposes outside his trade, business or profession; a Micro-enterprise; or a charity.

**Schroder Alternative Products** venture funds, hedge funds, private equity funds, absolute return funds, fund of funds vehicles relating to these, and any other products which include a performance fee which are managed and/or advised by the Schroders Group, or otherwise included as a Schroder Alternative Product by us.

**Schroders Group** us, Schroders plc (our ultimate holding company) and any of our or its subsidiaries (as defined in sections 1159 and 1160 of the Companies Act 2006 and any regulations made thereunder).

**Securities** securities, including, but not limited to, common stock, preferred stock, loan stock, units or shares in Collective Investment Schemes, money market instruments or any other securities.

**Security Details** your Account password or any other personalised set of procedures agreed between us in order to initiate a payment order.

**Structured Products** notes, certificates, or, other Securities or deposits, the return on which is linked to the performance of a stock market, currency, commodity, exchange rate, index or other factor or combination of factors. Further information is set out in paragraph B8.

**Tariff of Charges** our standard fee tariff as amended from time to time.

**Terms** these terms of business, including the Appendices.

**UK** the United Kingdom of Great Britain and Northern Ireland.

**UK Listing Authority** the FSA in its capacity as the competent authority for listing as provided under the FSMA.

**\*Warrant** any instrument which entitles the holder to subscribe for a share, debenture or government security.

**we/us/our** Schroder & Co. Limited (registered in England with company number 2280926) with registered office at 31 Gresham Street, London EC2V 7QA, or any successor, acting in its capacity as manager, custodian or bank or performing other Regulated Activities and, where the context requires, includes any Schroders Group company providing services to you.

**you/your/yourself** the person(s) to whom we provide investment, banking and/or custody or other services pursuant to the Agreement.

### A2 Regulation

We are authorised and regulated by the FSA and entered on the FSA's register with number 144206. Nothing in the Agreement shall exclude any of our liability to you arising under the FSMA, any regulations made under it, the Pensions Act 1995, or the FSA Rules.

### A3 Effective Date of Appointment

- a. For new Clients the Agreement will come into force on the date that we open a Portfolio and/or an Account in your name pursuant to paragraph (b) below. By entering into the Agreement a contractual relationship is created that has legal consequences.
- b. We will open a Portfolio and/or an Account in your name provided that (i) we are in receipt of a completed Form of Appointment, (ii) our client identification requirements are satisfactorily completed, and (iii) your initial deposit or transfer has been received and, if paid by cheque, cleared.
- c. We reserve the right to decline to open a Portfolio and/or an Account.

### A4 Your Warranties and Liabilities

- a. You warrant that you are over 18 years of age and have full power to enter into the Agreement with us and that (except as may be stated in the Form of Appointment, the Investment Mandate or separately notified to us in writing) the Portfolio(s) and/or Account(s) is/are free from all liens and charges, and that no liens or charges will arise from your acts or omissions.
- b. If relevant, you undertake not to deal, except through us, with any of the assets in a Portfolio and not to authorise anyone else to deal in any of them.

- c. You warrant that any information which you have provided to us in relation to your status, residence and domicile (or, where relevant, that of the trust or occupational pension scheme of which you are a trustee) for taxation purposes is complete and correct, and agree to provide any further information properly required by any competent authority.
- d. You will provide us with any other relevant information which we may reasonably request.
- e. You will notify us promptly if there is any material change in any information you have provided pursuant to paragraphs and (d) above, and will provide such other relevant information as we may from time to time reasonably request in order to fulfil our regulatory and contractual obligations. You acknowledge that a failure to provide such information may adversely affect the quality of the services that we may provide.
- f. Except insofar as the same may result from our or our employees' negligence, willful default or fraud, or that of any nominees, custodians, sub-custodians, agents or delegates which are Associates, you agree to indemnify us and/or them against all costs, losses, claims and expenses which may be incurred by us and/or them or made against us and/or them either (i) as a result of any party claiming to be entitled to Investments which form part of a Portfolio and/or sums held in an Account at the time when we first provide services in relation to a Portfolio and/or Account; or (ii) in consequence of any breach by you of the Agreement; or (iii) arising out of the exercise of rights or obligations by us or any Associate in accordance with the Agreement.
- g. You confirm that you will be acting as principal and for your own account at all times in relation to the services provided by us. Please let us know if you wish to act in a different capacity, such as agent or trustee for another person, in which case we may need to ask you to provide additional documentation.
- h. Where you are acting as a trustee, your liability under the Agreement shall be limited, in the absence of fraud or a breach of your powers or duties as trustee, to the assets of the trust from time to time.
- b. We may rely and act on any instruction or communication which purports to have been given by or on behalf of you or any person notified to us by you from time to time as being authorised to instruct us in respect of the services provided and, subject as set out below, by whatever means transmitted and whether or not the authority of any such person shall have been terminated by you (unless we have received written notice of that termination).
- c. We will do what we reasonably can to act upon instructions received on a Business Day on the day that we receive them. However, you acknowledge that payment transactions are subject to the Cut-off Times detailed above and that with certain transactions specific market cut-off times may apply, details of which are available on request. Instructions received at any time on a non-Business Day will be acted upon on the following Business Day.
- d. If you change your mind and request that an instruction previously given be cancelled, it will not be possible to do so if the instruction has already been acted upon. If you wish to revoke or cancel a payment instruction or place a "stop" on a cheque that you have written, you should telephone us as soon as possible, giving details of your Account number, the cheque number (if applicable), the amount, the payee's name and the date of the payment order/cheque. You must confirm your instructions in writing as soon as possible. It is not possible to cancel or stop a payment instruction after the end of the business day preceding the day agreed for execution of the payment order (including a standing order or direct debit) or, in the case of a cheque, once we are committed to pay the cheque. A charge for stopping any cheque or cancelling any payment instruction will be incurred as set out in the Tariff of Charges for banking services. It is not possible to cancel a banker's draft.
- e. We may in certain circumstances at our sole discretion (which we will exercise fairly, reasonably and proportionately to the circumstances) refuse to act upon instructions or enquiries and shall be under no obligation to make further checks, as the case may be, as to the caller's or sender's identity. For example, we may refuse to act upon instructions which we receive where (i) we suspect that the instruction may not genuinely have come from you or a person authorised by you, (ii) the instruction is unclear, (iii) the payment seems unusual compared with the way you normally use your Account, (iv) we reasonably believe that someone else may have rights over money or there is a dispute between joint Account holders (which may need a court to clarify the position), (v) acting upon the instructions may involve us breaking a law, regulation, legal requirement, code of practice or other duty, or (vi) acting upon the instructions

#### A5 Instructions and Communications

- a. Instructions from you (other than instructions to amend the Agreement) will be acknowledged by us acting upon them unless you are promptly advised that we believe such action may not be practicable or might involve any party in a breach of any law, rule or regulation. In certain circumstances we may be obliged not to disclose the fact that, or reason why, we have not acted on an instruction.

may involve the purchase, sale or transfer of fractions of Securities which we are not able to process. We will try to minimise the inconvenience to you caused by any such refusal, consistent with our legal obligations.

- f. In order to comply with anti-money laundering regulations or other legal requirements, we may at any time request further information from you about the source of money or purpose of a transaction or the beneficial ownership of an Account, and you agree to provide any such information. We may refuse to carry out a transaction if you do not provide the information requested.
- g. All written communications from us to you shall be sent to the mailing address stated in the Form of Appointment or the last address you have notified to us. If you agree that we may send you information electronically, we may also provide you any notice or information by posting it to our website, where permitted by regulations, or by e-mail. When wishing to change your address or e-mail details you should send to us a signed notification in writing. If you notify us by telephone, we may ask you to confirm the change in writing.. Written communications from us shall be deemed delivered (i) if sent to an address in the UK by first class post, two Business Days after posting, (ii) if sent to an address overseas by air mail, five Business Days after posting, (iii) if delivered by hand, on delivery, or (iv) if delivered electronically, either when posted to our website or one day after we send you an e-mail.
- h. Telephone conversations (and/or other communications as defined by the Regulation of Investigatory Powers Act 2000) with you, your representatives and/or your advisers may be taped or monitored by us. The FSA Rules require us to record all relevant telephone conversations and keep a copy of all relevant electronic communications, and maintain such records for a defined minimum period. For present purposes, relevant communications means a conversation or communication between a representative of our firm with a Client concerned with concluding an agreement by us to deal with you as agent or principal, or with a view to the conclusion of such an agreement, in relation to Securities or Derivatives. Electronic communications includes communications by way of facsimile, e-mail and instant messaging devices. You should therefore not give our representatives instructions regarding executing an order by mobile telephone or instant messaging device, or other means that we are not able to record, as if you attempt to do so we may need to arrange to contact you using a recorded means, which may cause a delay in carrying out your instructions.

- i. English will be the official language for all communications between us and you, although we may also communicate with you in other languages. All communications from us to you, and the terms in which this agreement is concluded and documents containing or amending the Terms of the contract between you and us, will be in English.

### Telephone, Fax and E-mail Communications

- j. Subject to paragraphs (j) and (k) below you may communicate with us orally, by fax or e-mail, but you hereby acknowledge that if you choose to communicate with us by any of these methods you do so at your own risk. You agree to waive any claim that you may have against us for breach of the duty of confidentiality (or any similar duty) which may arise through us acting in good faith in reliance upon an instruction given in accordance with this paragraph A5.
- k. If you wish to communicate with us via e-mail you must have provided us with an e-mail address in writing. By sending us an e-mail, you are indicating that you are willing for us to communicate with you by e-mail for any purpose under the Agreement. You acknowledge and accept that email communications are not secure or reliable and that, if you choose to communicate with us in this manner, or request us to communicate with you in this manner, you accept that the e-mail may not be read or actioned in a timely manner and that there is a risk of technical malfunction, unauthorised interference, misdelivery or delay of e-mail messages and computer viruses. You should not send your Security Details by e-mail. You should not respond to e-mails asking for your account information or Security Details, as we will not ask for such details by e-mail.
- l. You may transfer cash to other accounts within the Schroders Group or to one or more Nominated Accounts, as notified by you to us in writing, on the basis of telephone, fax or e-mail instructions. We will accept telephone, fax or email instructions to transfer cash or other assets out of a Portfolio and/or an Account to a third party account which is not a Nominated Account, only if we are satisfied that we may act on the instructions and we may, at our discretion, telephone and speak to you on a nominated telephone number (specified in the Form of Appointment or otherwise notified by you to us) to verify such instructions. We may also request verification of your identity in the form of a password or other confidential account information or personal details.

### Written Communications

- m. You may communicate with us in all cases in writing. Any instruction or communication to be given to us in writing under the Agreement must be sent to the relevant address stated for us on the back cover of these Terms or otherwise as notified to you, and will take effect upon its actual receipt by us. We shall take reasonable care to verify your signature against our records but shall not be liable, save as provided in paragraph D6 below, for acting on written instructions which reasonably appear to be signed by you. We may refuse to carry out an instruction if we are not satisfied that the instructions are genuine or authorised by you.
- n. We will, where appropriate, notify you of any material changes (which may occur from time to time) to information about our products and services which may be by means of our website or our regular client newsletter or by notifying you personally. You should therefore refer to such sources for current information.

### A6 Confidentiality and Data Protection

- a. The parties to the Agreement shall not, except as set out below, disclose information of a confidential nature acquired in consequence of it, except for information which they may be entitled or bound to disclose by law or which is requested by regulatory or fiscal authorities, or which is disclosed to their advisers or auditors or agents where reasonably necessary for the performance of their professional services or the protection of their interests. We may disclose the information we hold about you to Associates, but only if they agree to keep that information confidential to the same extent and use it only for permitted purposes.
- b. We may also disclose information about you to any agents appointed in accordance with these Terms and to any depository, stock exchange, clearing or settlement system, account controller or other participant in the relevant system, to counterparties, dealers, custodians, intermediaries and others where disclosure is reasonably intended for the purpose of effecting transactions in connection with the Agreement or establishing a relationship with a view to such transactions. Generally, we may disclose information where disclosure is reasonably intended to assist in the performance of services or obligations in connection with the Agreement or to comply with regulations in any part of the world relating to the prevention of money-laundering, terrorism, fraud or other crimes. As part of this, you authorise us, in particular, to disclose your identity and/or account details and/or documents evidencing your identity and/or other required information where requested by administrators of any Collective Investment Scheme or providers of other products or services that we obtain on your behalf (including institutions where we place external deposits under paragraph B16), by issuers of any Securities held in your Portfolio (under the Companies Act 2006 or similar overseas legislation), by the Takeover Panel, by a US Dollar correspondent or by any payment service provider. Where we use SWIFT or other electronic means of transferring money or Securities, you should be aware that the US authorities might have access to personal data about you contained in the electronic message, even when the transfer is within the European Union or does not involve US Dollars.
- c. We will act as data controller (and in certain circumstances, data processor) within the meaning of the Data Protection Act 1998 (the Data Protection Act). You hereby consent to the processing and use by us and our agents and Associates of personal data (as defined in the Data Protection Act) given by you under this Agreement for the provision of services to you, which may include the transfer of such data to any country outside the EEA (as defined in the Data Protection Act). We may retain personal data for such period as we consider necessary to comply with our legal or regulatory obligations or to defend any potential claim. Under the Data Protection Act you have the right to see the personal records we hold about you.
- d. Such data may also be used by us and our agents and Associates to update client records, to help prevent fraud, and to research, develop and advise you of other products and services, unless you have indicated otherwise. You undertake to supply personal data to us in accordance with the provisions of the Data Protection Act.
- e. You hereby consent to us undertaking searches, taking up references and making such other enquiries as we deem necessary, including the use of electronic identity verification and credit reference agencies for the purposes of verifying your identity. To do so, such agencies may check the details supplied by you against any particulars on any database (public or otherwise) to which they have access. We may disclose to such agencies information about you if you default on a debt. They may also use your details in the future to assist other companies for verification and credit reference purposes. A record of the search will be retained by the agency.

### A7 Unsolicited Real Time Communications

In the interests of the proper management and administration of a Portfolio and/or an Account or for the purposes set out in paragraph A6(d), we, our representatives and employees, may wish to call upon you by telephone, fax or e-mail or visit or otherwise communicate with you without express invitation. New clients provide express confirmation on the Form of Appointment that they consent to such communications taking place, unless they notify us to the contrary.

### A8 Joint and Sole Portfolios/Accounts

- a. If you are opening a joint Portfolio and/or Account or if otherwise you are more than one person, your obligations under the Agreement will be joint and several. You will be individually as well as jointly responsible for all the obligations in the Agreement including the entire amount of any fees, charges or costs on your Portfolio and/or Account. Any notice given to any of you will be deemed to be given to all of you. Unless otherwise stated in the Form of Appointment, we may act on the instructions of any of you. This means that one party to a joint account can withdraw the entire Portfolio and/or Account alone. However, we reserve the right to require written instructions from each Client, or a court order, if in our discretion we consider that appropriate and fair in the circumstances. On the death of any one or more joint Clients, the Agreement will not terminate and we may treat the survivor(s) as the only person(s) entitled to or interested in a Portfolio and/or an Account.
- b. If you are opening one or more separate Portfolios, paragraph (a) above shall only apply to those Portfolios which are designated as joint Portfolios. If a Portfolio is not designated as a joint Portfolio paragraphs (c) and (d) below will apply.
- c. In the event that you become incapable of managing your affairs, and prior to the registration of any Enduring Power of Attorney or Lasting Power of Attorney (including any analogous procedure under other laws) that you may have granted or the appointment of a Receiver by the Court of Protection (or similar court or judicial officer) if there is no Enduring Power of Attorney or Lasting Power of Attorney, we will not carry out any further transactions on the Portfolio and/or Account except as follows:
- in relation to Portfolios, we will respond to corporate events (such as rights issues/scrip dividends) by following our policy for that event, and we will retain cash for holdings which mature; and in relation to Accounts, we will accept payments into the Account, but will not make any further payments out of the Account.

- d. Our authority under the Agreement is given by you on behalf of your successors in title as well as yourself. Accordingly, on your death (if an individual Client), the Agreement will continue in effect unless and until it is terminated by your personal representatives in accordance with paragraph A17. We may (but, prior to receiving a certified copy of any grant of representation, are not bound to) act on the instructions of your personal representatives. Prior to our receipt of a grant of representation, we will not carry out any further transactions on the Portfolio and/or Account except as follows:
- in relation to Portfolios, we will respond to corporate events (such as rights issues/scrip dividends) by following our policy for that event, and we will retain cash for holdings which mature; and
  - in relation to Accounts, we will accept payments into the Account, but we will not make any further payments out of the Account.
- except (if we consider it appropriate in all the circumstances and the relevant form is duly completed) to meet the estate's inheritance tax liability to HMRC.
- e. The Agreement does not create any right or benefit enforceable by any person or persons not party to it, except that our Associates may enforce rights as expressed in the Agreement.

### A9 Fees, Commissions and other Charges

- a. We will charge fees, commissions and other charges in accordance with the published Tariff of Charges or as specified in the Investment Mandate or otherwise agreed. The Tariff of Charges or agreed rate may be varied by us from time to time and you will be given reasonable notice of any changes in writing prior to the change subject, where applicable, to the provisions in paragraphs D11 or D16 below. If you do not wish to continue to receive our services on the revised terms, you are free to terminate our appointment in accordance with paragraphs A17 and A18.
- b. You will also be liable for transaction charges (as set out from time to time in the Tariff of Charges) together with any costs properly incurred under the Agreement, including reasonable commissions, transfer and registration fees, taxes, stamp duties and other fiscal liabilities.
- c. We may pass on to you any third party brokerage or other charges incurred for transactions effected on your behalf. Such charges will be included on the relevant contract note or advice.

- d. Fees, commissions and charges will be deducted from an Account held with us unless specified in the Investment Mandate or otherwise in writing. Prior notice will be given of any periodic charges to be debited. Transaction charges and dealing commissions will be debited at the time of the transaction. Should there be insufficient cash within any such Account to cover fees, interest or other sums due, we may, at our discretion, sell other assets (including Investments) in order to obtain payment.
- e. We may pass on to you any reductions negotiated by us on the initial charges of non-In-House Collective Investment Schemes.
- f. Details of the fees and charges on In-House Collective Investment Schemes, Connected Investment Trusts and Schroder Alternative Products, including ISA products, are disclosed in the prospectus or Key Facts Documents of such products, copies of which are available on request. We may receive from other Schroders Group companies a share of the fees and charges on products managed and/or advised by a member of the Schroders Group. Details of the proportion of income receivable are available on request. See paragraph A9(k) for information about our policies on third party payments.
- g. Details of the fees and charges on Collective Investment Schemes or trusts managed and/or advised by non-Schroders Group entities are disclosed in the prospectus or Key Facts Documents of such products, copies of which are available on request, or at a lower rate which may be negotiated. We may receive and retain any commission or portion of the annual management charge paid by the managers of such schemes or trusts. Details of these arrangements are available on request. See paragraph A9(k) for information about our policies on third party payments.
- h. Foreign exchange transactions will be transacted by us at a rate appropriate for the size and nature of the transaction. The rate will be disclosed on any relevant transaction advice. See paragraph D10 below for details of the exchange rates for currency conversions between Relevant Currencies in Payment Accounts. Further information on how this rate is calculated is available on request.
- i. Where we execute transactions in Structured Products as principal, we may receive and retain a portion of the total cost to the Client as part of the pricing of the instrument, which is determined at the time of dealing, details of which will be supplied on request.
- j. In the case of any non-market standard settlements, additional charges may be made and if such additional charges are made, details will be supplied on request.
- k. Information about third party fees, commissions and other benefits:
1. The following paragraphs provide information about our policy in relation to the payment and receipt of any fees, commissions or non-monetary benefits in relation to the provision of an investment or ancillary service, as defined in the FSA Rules, apart from:
    - fees and commissions paid by or on behalf of Clients, as set out in our Tariff of Charges; and
    - proper fees which enable or are necessary for the provision by us of investment services, such as custody costs, settlement and exchange fees, regulatory levies or legal fees, and which, by their nature, cannot give rise to conflicts of interest.

Investment and ancillary services do not include banking services and insurance intermediation. Third party fees, commissions and other benefits for such services are therefore not covered here.
  2. Firms may, in addition to the payments referred to in the foregoing paragraph, receive a fee, commission or other benefit from a third party where it is designed to enhance the quality of the relevant service provided to the Client and not to impair compliance with the duty to act in the best interests of the Client, provided that there is adequate prior disclosure as required by the FSA Rules. We make the relevant disclosure as follows:
    - a. When investing in In-House or other Collective Investment Schemes or investment trusts on behalf of Clients, we may receive a share of the management fees and charges and performance fees levied within the Scheme, as disclosed in the relevant prospectus, in line with standard market practice. These are sometimes referred to as rebates or retrocessions;
    - b. The share of management fees or charges we receive on Collective Investment Schemes or investment trusts that are neither managed nor advised by a member of the Schroders Group may vary depending on the fund provider, the asset class, the class or sub-class of fund, the share class and the amount of the fund held by us or our Associates, and ranges from 0% to 0.875% per annum of assets in the relevant Scheme held on your behalf, and may additionally include up to 25% of applicable performance fees;
    - c. In relation to In-House Collective Investment Schemes, Connected Investment Trusts and Schroder Alternative Products, we may receive up

to 100% of the applicable investment management fee or charges or performance fees, against which is offset an internal charge reflecting the cost of the provision of investment management by the Associate company. The portion of fees and allocation of costs may vary depending on the region, the asset class or the share class of the relevant fund. We either exclude the value of such fund holdings from the Portfolio value when calculating our fees or charge a reduced or flat fee or, where so agreed, rebate to the Client (except in relation to Schroder Alternative Products) the amount, if any, by which the investment management fees as disclosed in the prospectus exceed the agreed Portfolio management fee;

- d. We also receive investment research and other reasonable non-monetary benefits (such as product literature, training and joint marketing) from our Associate companies;
  - e. When placing deposits externally with or purchasing products from third parties as part of our cash management service, we may receive commission of up to 0.25% per annum as part of our fee.
  - f. Further details of these arrangements are available on request.
3. In formulating our fee structure for Investment services to meet client requirements, we take into consideration the three principal elements of income (the invoiced fee for our services, the rebates on third party funds and the share of fees, net of costs, on In-House funds) either at a business unit level or at an individual Client level, to arrive at an overall fee basis that is fair and competitive.

Our receipt of third party fees, commissions or other benefits is designed to enhance the quality of our services to you and not impair compliance with the duty to act in your best interests for the following reasons, among others:

- a. It supports our ability to research, monitor and provide you with access to a wider range of third party funds and in depth, timely analysis than might be possible otherwise;
- b. It enables us to access funds for you at net asset value without incurring a bid-offer spread (of up to 5%) or being charged a commission;
- c. In respect of In-House Collective Investment Schemes, Connected Investment Trusts and Schroder Alternative Products, it enables us to

exclude such funds from the value of your Portfolio for the purposes of calculating our fees or to charge a reduced or flat level of fee or to rebate the difference;

- d. As a result of (c), Clients benefit from a lower invoiced fee for our services than would otherwise be charged and consequently make a VAT saving thereon (if VAT is applicable);
  - e. Since the management fees and performance fees within funds would be borne by the investor in any event, our Clients benefit (with little or no additional charge) from investment advice, general recommendations, and advice on asset allocation, investment risk and strategy and other investment guidance which is not biased as a result of the receipt of such benefits;
  - f. Our conflicts of interest policy is designed to ensure that investment recommendations and decisions we make relating to funds are based purely on an assessment of the investment merits of the fund (including performance net of fees) and the quality of the fund manager, and are not influenced by the level of rebates or retrocessions that may be paid.
4. We may occasionally pay a share of our fees to a third party who has introduced business to us. This may represent up to 50% of the fees we receive from a Client in connection with Portfolio management or a particular transaction or of the remuneration we earn in connection with the cash management service. If such an arrangement exists in relation to a particular Client, it will be stated in the Investment Mandate and further details are available on request. This does not impair our duty to act in the best interest of our Clients. Such payments are designed to enhance the quality of the relevant service provided to the Client by the introducer, as it enables them to gain access to a service that might not otherwise be available to them. Where the recipient of such payment is regulated by the FSA or another European regulator, the recipient may also be required to make appropriate disclosure.
5. We will, where appropriate, notify you of any material changes (which may occur from time to time) to information about our third party fees, commissions and other benefits, which may be by means of our website or our regular client newsletter or by amendment to our Terms. You should therefore refer to such sources for current information about our policies on this. You should also note that we may make additional disclosures in relation to particular products and/or services which may differ to this document.

## A10 Taxation

In relation to the services to be provided we will, when possible, take into consideration any investment restrictions in the Investment Mandate expressly relating to your tax position (or if you are the trustee(s) of a trust or scheme, the tax position of the trust or scheme). Subject thereto, and to paragraphs C4(b) and D1 if relevant, we will not be responsible for ensuring that you do not suffer any adverse tax consequences as a result of us providing any services under the Agreement or for providing you with tax advice and you should consult your own tax advisers in relation to your tax affairs (or, where relevant, the trust's or scheme's affairs). These Terms do not refer to all taxes and costs which you may have to pay in relation to your Portfolio or our services.

## A11 Information about our Conflicts of Interest Policy

- a. We have established a conflicts of interest policy in accordance with the FSA Rules. The following paragraphs set out a description, in summary form, of our conflicts of interest policy for your information. Further details of our conflicts policy are available on request.
- b. The conflicts policy identifies the general circumstances which constitute or may give rise to a conflict of interest entailing a material risk of damage to the interests of one or more clients and specifies procedures to be followed and measures to be adopted in order to manage such conflicts which are appropriate to the size and organisation of our firm and the nature, scale and complexity of our business. The policy also takes into account any circumstances which may give rise to a conflict of interest arising as a result of the structure and business activities of other members of the Schroders Group.
- c. As the Schroders Group is focussed almost exclusively on asset management, the range of potential conflicts is more limited than is likely to arise in an investment banking group. Neither we nor other members of the Schroders Group provide corporate finance services, including underwriting or selling in an offering of securities and advising on mergers and acquisitions. In addition, we do not publish investment research, as defined in the FSA Rules. To the extent that we engage in proprietary trading with Clients, we do so only as riskless principal and do not operate a trading book seeking to generate profit from holding proprietary positions. We do provide investment advice and portfolio management services, and recognise that conflicts may potentially arise in the context of those services, in particular in relation to the selection of investment funds and the execution of transactions as principal. The main circumstances that we consider may potentially give rise to conflicts of interest are set out in section B1 of our Terms, but other circumstances of potential conflict may exist which we believe are adequately managed by means of our policies and therefore do not require disclosure.
- d. The key procedures and measures that we have in place to manage potential conflicts of interest are, in summary, as follows:
  - i. We have a strong culture of integrity and ethical principles and acting in our Clients' best interests, as reflected in the Schroder Values, which include integrity and excellence and are championed by senior management across the Schroders Group and form a core part of the annual staff appraisal process;
  - ii. We follow Schroders Group policy in relation to personal account dealing by staff, which includes pre-approval by compliance for material transactions;
  - iii. Gifts or other inducements received/given from/to third parties by individual staff members must be declared, and in some instances pre-approved;
  - iv. Our staff remuneration policies are not based on product sales commission;
  - v. Our fund selection and asset allocation model process is managed by our investment committee, which focuses on clients' best interests without considering any payments or benefits that may be received;
  - vi. We have policies for ensuring that all Clients' orders are executed in due order and that any allocation of securities in the event of partially-filled orders is fair;
  - vii. When Executing Orders in shares or bonds we do not "cross" one Client's order with another Client's nor with a member of the Schroders Group;
  - viii. While some funds may have tiered scales of rebates or retrocessions, we do not participate in any arrangements where bonuses are paid for reaching certain sales targets;
  - ix. Senior management set the level of fees or margin that may be taken on principal trades in Structured Products and foreign exchange, rather than the relevant product desk;
  - x. We do not deal in Schroders plc shares on a discretionary basis, and only advise on such shares at the specific request of a Client;
  - xi. We do not vote on resolutions relating to In-House Collective Investment Schemes or Connected Investment Trusts where conflicts may arise without Clients' specific instructions or agreement;
  - xii. A member of the compliance team is involved in any decision about compensating a Client in relation to an error or complaint; and

- xiii. Independent internal audit and Schroders Group compliance functions periodically monitor compliance with our conflicts policy.
- e. Where we do not believe that the arrangements under our conflicts policy are sufficient to manage a particular conflict, we have either disclosed them in our Terms or will inform you of the nature of the conflict at the time so that you can decide how to proceed.
- f. We recognise that, if we held ourselves out as being “independent” in the selection of funds as between the Schroders Group and third parties, it may not be possible to prevent the risk of damage arising to Clients’ interests as a result of conflicts of interest, unless we did not retain any fund rebates and retrocessions. For clients who require an “independent” advisory service, we therefore offer a “clean fee” option as set out in paragraph B19(d) of our Terms and a third-party-funds-only service is also available. In all other cases, while we do not claim to be acting independently when selecting funds that are managed or advised by members of the Schroders Group, we do, of course, always seek to act in the best interests of our Clients.
- g. We will notify you of any material changes (which may occur from time to time) to information about our conflicts of interest policy, which may be by means of our website or our regular client newsletter or by amendment to our Terms. You should therefore refer to such sources for current information about our policies on this. You should also note that we may make additional disclosures in relation to particular products and/or services which may differ to this document.
- c. We will not be liable for any direct or indirect loss or loss of profit or opportunity you may suffer as a result of our being unable to carry out any of your instructions, or to provide any service or product, as a result of any applicable law, rule or obligation or (save in respect of our obligations under Part 6 of the Payment Services Regulations 2009, which is addressed in paragraph D6(c) below) circumstances reasonably beyond our control (including, but not limited to, any market disruption, interruption of payment or clearing services, industrial action, equipment failure, computer or related software failure, act of any governmental authority, legal constraint, fire, flood, civil disturbance, criminal or terrorist activity or interruption of communication facilities).
- d. No warranty is given by us as to the performance or profitability of any Portfolio or any part of it and we will not be liable for any losses howsoever arising from decisions taken in reliance on information provided or opinions expressed pursuant to the Agreement. Past performance is not a guide to future performance.
- e. We (including any Associate holding or controlling assets in a Portfolio or an Account) shall retain a lien or security interest over any assets of a Portfolio to the extent that any fees, commissions, charges, costs, losses, or claims for which you are obliged to indemnify us or any Associate pursuant to paragraph A4(f) remain unpaid. You agree that the assets of a Portfolio may also be subject to a lien or security interest in favour of any custodian, sub-custodian, nominee, agent or delegate appointed pursuant to this Agreement in respect of charges relating to the administration and safekeeping of such assets.

#### A12 Our Liability to You

- a. We will act in good faith and with due diligence in performing our duties and obligations, including but not limited to the selection, use and monitoring of nominees, custodians, sub-custodians, agents and delegates. We accept responsibility for loss to you to the extent that such loss is due to our or our employees’ negligence, wilful default or fraud. We will only accept liability for the acts or omissions of any nominee, custodian, sub-custodian, agent or delegate which is an Associate. We will not otherwise be liable to you for any loss save as provided in paragraph D6 below.
- b. If any custodian or sub-custodian should fail to deliver any necessary documents or to account for any Investments, we will take reasonable steps on your behalf to recover such documents or Investments, or any sums due, or compensation in lieu thereof, but subject thereto (and to paragraph (a) above) we will not be liable for any such failure. You will pay all reasonable costs which we shall thereby incur.
- f. You hereby confirm and acknowledge that we, together with any nominee, custodian, sub-custodian, agent or delegate appointed pursuant to A14, are acting solely on the basis of information and facts concerning your personal and financial circumstances (or where relevant that of the trust or scheme of which you are a trustee) which have been expressly disclosed by you to us.
- g. We will not be responsible for any loss of opportunity whereby the value of investments could have been increased or for any decline in the value of investments or any taxation charges unless such decline or loss or charge is the direct result of our wilful default or negligence.
- h. In respect of Retail Customers, our banking services will be prompt, efficient and fair and will have regard to any communications or financial promotions made to that person. In respect of any other Client, we will endeavour to meet the same standards, but shall not be liable for any failure to meet the same, save as provided in this paragraph A12 above or in the FSA Rules.

- i. Nothing in these conditions will reduce your statutory rights relating to faulty or misdescribed goods. For further information about your statutory rights contact your local authority Trading Standards Department or Citizens Advice Bureau.

### A13 Variation

- a. The following terms apply to any change to the Agreement, other than changes to our interest rates, exchange rates or charges applicable to Payment Accounts or other banking services, which are covered in paragraphs D11 and D16 respectively below.
- b. We may vary or replace these Terms for valid reason from time to time. A valid reason will be one of the following: where necessary to take account of legal or regulatory changes, or to reflect changes in our operations, services or business, agents or suppliers or to reflect changes in market practice, or to improve the clarity of or protections afforded to you by our Terms. Notices of any variation to, or replacement of, these Terms will be sent to you in writing (which may be electronically, if so agreed between us) to take effect on the date stated in such notification which will not be less than two months in case of Payment Account Terms. If you do not wish to continue to receive our services on the revised terms, you are free to terminate our appointment in accordance with paragraphs A17 and A18.
- c. We may introduce new charges on your Account or change the amount of any charges which already apply to your Portfolio or Account by notifying you personally (which may be electronically, if so agreed between us) on reasonable notice which shall be not less than two months (in the case of Payment Accounts) and not less than 14 days (in the case of other banking services) before the change comes into effect. Such changes may be for any valid reason referred to in paragraphs (b) above or D11(a) below. We may also publish any changes to our Tariff of Charges or other contractual information on our website at [www.schroders.com/privatebank](http://www.schroders.com/privatebank) before the change comes into effect or at the earliest opportunity afterwards
- d. If, when a variation to these Terms takes effect or when these Terms replace previous terms, there are outstanding transactions initiated before the variation or replacement takes effect, the previous terms or unvaried Terms (as the case may be) shall continue to apply to those outstanding transactions, except where the variation or replacement reflects legal or regulatory requirements in which case they shall apply in varied or replaced form even to those outstanding transactions.
- e. If you do not wish to continue to receive our services on the revised terms, you are free to terminate our appointment in

accordance with paragraphs A16 and A17

- f. If, when a variation to these Terms takes effect or when these Terms replace previous terms, there are outstanding transactions initiated before the variation or replacement takes effect, the previous terms or unvaried Terms (as the case may be) shall continue to apply to those outstanding transactions, except where the variation or replacement reflects legal or regulatory requirements in which case they shall apply in varied or replaced form even to those outstanding transactions.
- g. Any change notified to you in accordance with the above or paragraphs D11 or D16 below will take effect without further action on your part if you do not notify us to the contrary before the proposed date of entry into force of the changes. You will be deemed to have accepted the changes if we do not receive any objection from you before that date.

### A14 Delegation

- a. We may delegate any of our functions under the Agreement (including, but not limited to, discretionary fund management) to an Associate or any other agent and may provide information about you and any Portfolio and/or Account to any such Associate or agent, and a delegate or agent so appointed may appoint a sub-delegate or agent, but our liability to you for all matters so delegated shall be as set out in paragraph A12. Notice of delegation of discretionary investment management of all or part of a Portfolio will be sent to you in writing to take effect on the date stated in such notification.
- b. We may, where reasonable, employ agents (including, but not limited to, Associates) to perform any administrative, custody, dealing or ancillary services required to enable us to perform our services under the Agreement and a delegate or agent so appointed may appoint a subdelegate or agent.
- c. Pursuant to paragraphs (a) and/or (b) above we may delegate any of our functions to, or employ, an Associate or other agent who is outside the UK and who may be conducting Designated Investment Business with you from an office outside the UK. Where this is the case, we will if required by FSA Rules inform you of the relevant regulatory system which will apply in such cases, including any compensation arrangements, where this is different to that of the UK.

### A15 Transfer and Assignment

- a. The obligations under the Agreement bind, and the rights will be enforceable by, the parties to the Agreement and their respective successors, permitted assigns and personal representatives.

- b. Subject to paragraph (c) below, neither you nor we may novate or assign or transfer any of your or our respective rights and obligations under the Agreement, any corresponding transaction or any contract without the prior written consent of the other.
  - c. You hereby give consent to us causing at any time all or any part of our rights and/or obligations under the Agreement to be transferred to any other stated Associate (each a Transferee) by delivering to you a substitution notice. Such transfer shall be without prejudice to pre-existing rights between the parties and, in the case of Payment Accounts, is subject to paragraph D11(e) below. Upon delivery of a substitution notice:
    - i. the rights and/or obligations of the parties shall be novated, the parties will be released from further obligations to each other hereunder and the respective rights of the parties will be cancelled; and
    - ii. you and the Transferee will simultaneously acquire the same rights and assume the same obligations between yourselves as would have been acquired and assumed had the Transferee been an original party to the Agreement instead of us.
  - d. To the extent required by, or consequential to, any such transfer you agree to enter into such further documentation and/or particular terms as we or any Transferee may reasonably require solely in order to make or facilitate the action envisaged in paragraph (c) above and to enter into such new arrangements with you concerning the services under the Agreement.
- b. If you fail to make any payment under, or in connection with, the Agreement or a transaction:
    - i. we may, upon written notice to you, sell or otherwise dispose of all or any such investments in the Portfolio at such price and in such manner as we may in our discretion (in accordance with our Execution Policy) think fit and apply the proceeds of such sale(s) towards the costs incurred and then towards any amount due and outstanding to us or an Associate. In this event we will not be responsible for any loss or diminution in price; and
    - ii. interest will be payable by you on any amount due and outstanding at a rate of 5% above our cost of borrowing funds for the relevant currency, such interest to accrue on a day to day basis.
  - c. If you fail to deliver Securities:
    - i. we may buy Securities to cover any open and undelivered positions, and debit your account with all associated costs incurred;
    - ii. if a buying-in notice is issued against us we will debit you with the costs incurred; and
    - iii. we reserve the right to debit you with any fines imposed due to late delivery.
  - d. Without prejudice to other security interests, lien and set-off rights in these Terms or arising by operation of law, you agree that we may, without prior notice to you, set off any payment obligation owed by you to us or an Associate in connection with these Terms or any transaction against any payment obligation (whether or not matured) owed by us or an Associate to you in connection with these Terms or any transaction regardless of the place of payment or currency of either obligation (and for this purpose we may purchase one currency with the other at such rate as we reasonably determine).

#### A16 Default Remedies

- a. The following are each an Event of Default:
  - i. you fail to make payment or delivery due under any transaction or fail to make any other payment or delivery due under these Terms or any transaction;
  - ii. you are in breach of any other material term or condition, representation or warranty in these Terms or any transaction;
  - iii. you are unable to pay your debts as they become due or you undergo or suffer an insolvency process or any analogous process affects you or your property anywhere in the world;
  - iv. you die, are declared incompetent or we are unable to obtain proper instructions from you having used reasonable efforts to do so; or
  - v. the custody or investment management of all or a material part of the Portfolio is removed from us or our control or from an Associate or its control.
- e. If any obligation is unliquidated or unascertained, we may set off an amount estimated by us in good faith to be the amount of that obligation (and when the amount is known the relevant party shall credit the other with any additional amount to reflect the difference between the estimate and the actual amount of the obligation).
- f. On the occurrence of an Event of Default, we may carry out set-off and close-out netting of all outstanding transactions between us (including between you and an Associate) under these Terms or any transaction, and calculate the net amount of the sums owed to, or by, us or an Associate under each transaction including the amounts owing to or by us on the Accounts. For this purpose we shall be entitled to (on, or as soon as reasonably practicable after, the Event of Default)

- determine in our absolute discretion, in respect of each transaction, its total costs, loss or gain (expressed in such currency as we shall select) as a result of the close out of each payment or delivery which would otherwise have been required to be made under such transaction; and we shall be entitled to treat each cost or loss to us as a positive amount and each gain by us as a negative amount and aggregate all of such amounts to produce a single, net positive or negative amount.
- g. We will promptly notify you of the net amount calculated under paragraph (f) above and whether it is payable by you to us or vice versa. For these purposes, sums owed to an Associate will be treated as owed to us and sums owed by an Associate will be treated as owed by us and the net amount will be payable promptly by the relevant party following notification in such currency as we may reasonably select.
- h. As continuing security for the proper payment and discharge of all of your obligations, actual or contingent, present or future, for payment or delivery (including interest, costs, charges and other expenses), now or at any time becoming due or owing to us or any Associate under, or in connection with, the Agreement or any transaction, and without prejudice to other rights which we have under the Agreement, you grant to us for ourselves and each Associate a security interest over all rights and interests you may have now or in the future in respect of or in connection with the Account and the Portfolio, and over any other assets of whatsoever kind held or controlled by us or any Associate which belong to you.
- i. This security interest is a continuing security and will not be satisfied by any intermediate payment or satisfaction of the whole or any part of your obligations, and will not be affected by any other security interest now or subsequently held by us or any Associate for all or any of your obligations.
- j. This security interest will become immediately enforceable and the power of sale and other powers conferred by law will be exercisable by us following an Event of Default without notice to you.
- k. You will at your own expense execute and do all such assurances, acts and things as we may reasonably require for perfecting or protecting this security interest or for facilitating the realisation of the secured assets or any part of them and in the exercise of all powers, authorities and discretions vested in us.
- l. We will not be obliged to pay or deliver to you any assets in an Account or a Portfolio until you have discharged your obligations to us and our Associates in full under the Agreement and any transaction.
- m. The security interest and set-off rights in this paragraph A16 shall take effect over your share of any jointly-owned Portfolio, Account or rights.
- n. You agree that, as your agent, we may execute any transfer of Securities or other documents, give any necessary instructions and generally act for the purpose of giving us or our agents the power to exercise our default remedies in this paragraph A16.
- o. The default remedies in this paragraph A16 shall take effect subject to the terms of any specific agreement, security documentation, master documentation (such as ISDA documentation) applicable to the transaction or assets in question.
- p. The default remedies in this paragraph A16 shall be exercisable by our Associates to the same extent as they are exercisable by us.

#### **A17 Termination and Right to Cancel**

- a. This agreement does not have a fixed duration and will continue for an indefinite period, unless terminated by you or us in accordance with the following provisions
- b. You may terminate our appointment and/or close an Account at any time by written notice to us in accordance with paragraph A5(m).
- c. We may terminate the Agreement (and may close any Account) on one month's written notice to you (two months' notice in the case of Payment Accounts) or by immediate notice in accordance with paragraph A5 above if so required by any competent regulatory authority or in exceptional circumstances (for example, suspected fraud or criminal activity). We will give you the reason for closure where we are permitted to by law. We may, for example, close an Account or Portfolio that remains below the applicable minimum size for a long period.
- d. (For non-occupational pension scheme Clients only) Where we resign from the appointment as custodian or our appointment as custodian is terminated in accordance with this paragraph A17 (but the Agreement continues in force) then, except where you inform us within 20 Business Days of the notification that you wish to make your own arrangements, we may, if our own appointment has not been so terminated and is not in the process of being terminated, appoint a successor.
- e. (For occupational pension scheme Clients only) Where we resign our appointment as custodian or our appointment as custodian is terminated in accordance with this paragraph A17 (but the Agreement continues in force) then you will appoint a successor custodian and either:

- i. if it is an Associate, we will procure that such Associate becomes a party to the Agreement, in which case the Agreement shall be construed for all purposes as if references to we/us/our (in our capacity as custodian) were references to such Associate; or
  - ii. if it is an Outside Custodian, you will ensure that such custodian enters into an agreement on similar terms to the terms of the Agreement.
- f. If you are a Retail Customer and have entered into the Agreement, or engaged us to provide a new service for you, without meeting any of our private bankers or other representatives, then we will treat your rights to terminate our appointment under this paragraph A17 as your cancellation rights in respect of an initial service agreement for the purposes of the COBS. Details of your payment obligations on such termination are referred to in paragraph A18.
- g. If you are a Retail Customer opening a new Account, you have the right to close the Account and/or cancel this Agreement without penalty and without giving any reason within 14 calendar days of entering the Agreement or receiving these Terms, whichever is the later, save where the rate of interest payable on a deposit is fixed for a period of time or the contract concerns Securities or any other product whose price depends on fluctuations in the financial market outside our control. To cancel the Agreement, you must send a written notice to us in accordance with paragraph A5(m). Details of your payment obligations on such termination are referred to in paragraph A17 below. We will treat your rights to terminate our appointment under this paragraph A16 as your cancellation rights in respect of an initial service agreement for the purposes of the Distance Marketing Directive (No. 2002/65/EC). We will return any sum due to you within 30 days of receiving such notice of cancellation.
- h. We can close your Portfolio or Account immediately if: we reasonably suspect that you have given us false information; or we suspect that your account is being used for an illegal purpose; or you behave in a threatening or violent manner towards our staff; or we are ordered to by a court or authority or regulator of competent jurisdiction; or you were not entitled to open your Account or Portfolio.
- i. You may be treated by us as having served notice to end this Agreement in relation to an Account or Portfolio if you do not make a payment into the Account or Portfolio within 6 months of opening it or it has a balance of less than £1,000 for a continuous period of 12 months.

#### A18 Consequences of Termination

- a. On termination, we will promptly account to you for the assets held by us in a Portfolio or any Account and direct our nominee company and any sub-custodian to do likewise. However, we or any Associate holding or controlling assets in a Portfolio shall be entitled to retain and/or realise, or direct any Associate holding or controlling assets in a Portfolio or, as the case may be, the Outside Custodian, to retain and/or realise, any assets of a Portfolio as may be required to settle transactions already initiated, and to pay any of your outstanding liabilities. In the event that you do not promptly following termination give to us details of to whom the assets in your Portfolio(s) should be transferred, then we may convert all of such assets into cash.
- b. If a party to the Agreement initiates a change of custodian, that party shall be responsible for any reasonable transfer or re-registration costs.
- c. Termination will be without prejudice to the completion of transactions already initiated, which will be completed expeditiously by us.
- d. Termination will not affect accrued rights, indemnities, existing commitments or any contractual provision intended to survive termination and will be without penalty or other additional payment. You will pay (i) our fees pro rata to the date of termination (ii) any additional expenses necessarily incurred by us as a result of the termination of the Agreement and will bear any losses necessarily realised in settling or concluding outstanding obligations (iii) any sums due under paragraph D5 (b) or D17(f), and (iv) any outstanding amounts owed to us.
- e. If you request, and we agree in our discretion, to close a Fixed Deposit Account prior to its maturity you may incur charges as set out in paragraph D17.
- f. If you cancel your Payment Account, Call Deposit Account or Cash Management Support Account, we will return all the money in your Account to you and any interest it has earned, and we will not impose any extra charges. If, at your request, we have supplied you with any services before you cancel your Account, you will have to pay our charges for supplying those services. Similar cancellation rights do not apply to Portfolios or other types of Account (such as Investment Deposit Accounts, Fixed Deposit Accounts or Structured Deposits) whose price may depend on fluctuations in the financial market outside our control. You are responsible for cancelling any direct debits or standing orders relating to your Account. If someone sends a payment to your closed Account we will take reasonable steps to return the payment to the sender. Any charges made for the termination of a Payment Account contract (by you or us) will reasonably correspond to the actual costs to us.

## A19 Complaints

- a. All formal complaints should in the first instance be made in writing to your Private Banker or our Complaints Officer at the address stated in Appendix 1. Subsequently, you may (if you are a Private Customer) have the right to complain directly to the Financial Ombudsman Service. A detailed description of the Financial Ombudsman Service (including information as to how to make a complaint, eligibility criteria and the procedures involved) is available from the Financial Ombudsman Service, who can be contacted at South Quay Plaza, 183 Marsh Wall, London E14 9SR or via their website at [www.fos.org.uk](http://www.fos.org.uk).
- b. A copy of our complaints handling procedure is set out in Appendix 1 to these Terms.

## A20 Compensation

- a. The UK Financial Services Compensation Scheme (FSCS) may offer protection in the event that you (or a beneficiary of certain eligible types of trust) suffer a financial loss as a direct consequence of our being unable to meet any of our liabilities. Payments to eligible claimants under the FSCS will vary depending on the type of protected claim (for example, a deposit or investment) that the claimant has. Eligible claimants include individuals and some other clients, such as small enterprises. For joint accounts, each individual account holder is eligible to claim up to the relevant FSCS limit. Claims in respect of protected investment business and mortgage advice are limited to 100% of the first £50,000. Compensation payments to eligible depositors under the FSCS are limited to 100% of the protected deposits up to a maximum of £50,000 or €50,000, whichever is the greater.

Some types of claimants and accounts are not covered by the FSCS. While the determination of eligibility for compensation ultimately lies with the FSCS, the main exceptions to the FSCS's coverage are as follows:

- Where client money is deposited with overseas banks or building societies, or as fiduciary deposits, as part of our Cash Management Service;
- Claims by financial institutions, collective investment schemes, local authorities, occupational pension schemes and similar bodies;
- Claims by large companies (i.e. a company that is not a "small company" under section 382 of the Companies Act 2006, which, in summary, is one that satisfies at least two of the following three conditions: turnover of less than £6.5 million; balance sheet total of less than £3.26 million; fewer than 50 employees); and

- Claims by large partnerships or large mutual associations (a partnership, mutual association or unincorporated association with net assets of more than £1.4 million).

Note that the above financial criteria may be amended by the FSA or the government from time to time. Further guidance on eligibility is available from the FSCS's website at: [www.fscs.org.uk/what-we-cover/](http://www.fscs.org.uk/what-we-cover/).

- b. A detailed description of the Financial Services Compensation Scheme (including information on how to make a claim, eligibility criteria and the procedures involved) is available from the Financial Services Compensation Scheme who can be contacted at 7th Floor, Lloyds Chambers, Portsoken Street, London E1 8BN or via their website at [www.fscs.org.uk](http://www.fscs.org.uk).

## A21 Protecting your Account

- a. In order to protect your account against misuse, you must:
  - i. keep your password and any other Security Details secret; and
  - ii. not disclose your Security Details to any other person or record your Security Details in any way that may result in them becoming known to another person; and
  - iii. tell us immediately if you think someone else may know any of your Security Details or if you suspect unauthorised use of your Account by telephoning your usual contact or our Private Accounts Department on 020 7658 3301; and
  - iv. act with reasonable care, including taking reasonable steps to prevent unauthorised use of your Security Details; and
  - v. not act fraudulently.
- b. You will be responsible for all losses caused by any fraudulent activity on your part and any person acting with your authority.
- c. Paragraph D6 below sets out in greater detail your responsibilities for losses caused by any failure on your part to protect your bank Account.
- d. If we have any doubt about the authenticity of any instructions received in relation to your account, we reserve the right to contact you on the telephone number or e-mail address that you have provided us to verify such instructions. Such additional security measures are applied at our discretion on a risk-based approach and, in the absence of negligence, we cannot be held liable for any omission or decision not to verify instructions.

- e. We reserve the right to stop or prevent payments being authorised by your password without original signed instructions. We will only do so where we suspect unauthorised or fraudulent use of the account or password or have reasonable grounds for concern about the security of your account. If we exercise such right, we will inform you that we intend to do so and give the reason for doing so, unless this would compromise reasonable security measures or be otherwise unlawful. We will establish or agree replacement account and/or password details to you as soon as practicable.

#### A22 Entire Agreement and Third Parties

- a. The Agreement constitutes the entire understanding between you and us relating to the services we provide for you and supersedes all prior understandings, arrangements, representations, proposals or communications between you and us, whether written or oral. This does not exclude or restrict any duty or liability that we may have to you under the FSMA.
- b. The Agreement does not create any right or benefit enforceable by any person or persons not party to it, except that our Associates may enforce rights as expressed in the Agreement.

#### A23 Severability

Each provision of the Agreement is severable and if at any time any provision becomes invalid, illegal or unenforceable, then this will not affect any of the other provisions.

#### A24 Governing Law

The Agreement and all dealings between us and you will be governed by and construed in accordance with English law. The English courts will have exclusive jurisdiction to settle any disputes or claims which may arise out of or in connection with the Agreement and all dealings between us and you for which purpose all parties agree to submit to such jurisdiction.

## Part B (Section 1) – Investment Services

### General Terms

- a. We will provide investment services on the following terms:
  - discretionary investment management; or
  - discretionary cash management; or
  - advisory investment management; or
  - execution only.
- b. An Investment Mandate will be agreed by you and us for each Portfolio which will specify the basis on which services are to be provided for that Portfolio including the proposed investment strategy or strategies, information about our costs and associated charges and any restrictions on the range of Investments permitted in a Portfolio. You may elect to hold several Portfolios with us.
- c. The terms set out in this Section 1 apply in all cases (unless otherwise stated) where we are to provide investment services to you under Part B sections 2, 3 and/or 4.
- d. Our services may include portfolio management, investment advice, Executing Orders or the receipt and transmission of orders in relation to any Investments or Derivatives (subject to any restrictions stated in the Investment Mandate), including unregulated Collective Investment Schemes. All or most of the protections under the UK regulatory system do not apply to such schemes and compensation under the Financial Services Compensation Scheme will not be available in respect of a default by an unregulated Collective Investment Scheme.
- e. You should always remember that investors may not get back the amount originally invested as the value of Investments, and the income from them can go down as well as up and is not guaranteed. Past performance is not a guide to future performance. Exchange rate changes may cause the value of overseas Investments to rise or fall. You should be aware that Investments in emerging markets, hedge funds, derivatives, commodity funds, property funds and private equity funds involve an above average degree of risk. In respect of hedge funds, property funds, private equity funds, and other unregulated Collective Investment Schemes it may be difficult to redeem shares or units within a reasonable timeframe or to obtain reliable information about the value of the shares or units or the extent of the risks to which

they are exposed. With regard to Investments designed to be held for the medium to long term or with limited liquidity or with a fixed maturity date or with significant up-front costs, you should be aware that early redemption may result in lower than expected investment returns, including the potential for losses. Further information about the risks associated with particular Investments or particular investment strategies is available on request.

## B1 Potential Conflicts of Interest and Disclosures

- a. We and any Associate may effect transactions in which we or an Associate have, directly or indirectly, a material interest or a relationship of any description with another party which may involve a potential conflict with our duty to you. Neither we nor any Associate shall be liable to account to you for any profit, commission or other remuneration made or received from or by reason of such transactions or any connected transactions nor will our fees, unless otherwise provided, be abated.
- b. We will ensure that such transactions are effected on terms which are not materially less favourable to you than if the potential conflict had not existed. We may manage some conflicts of interest by disclosing such interests to you, including the disclosure of potential conflicting interests and duties set out in paragraph (c) below.
- c. We notify you that such potential conflicting interests or duties may arise because:
  - i. we or an Associate undertake Regulated Activities for other Clients;
  - ii. one of our directors or employees, or those of an Associate, is a director of, holds or deals in Securities of, or is otherwise interested in any company whose Securities are held or dealt in on your behalf;
  - iii. a transaction is effected in Securities issued by an Associate or a customer of an Associate;
  - iv. a transaction is effected in Investments in respect of which we or an Associate may benefit from a commission, fee, mark-up or mark-down payable otherwise than by you, and/or we or an Associate may also be remunerated by the counterparty to any such transaction;
  - v. we deal on your behalf with, or in the Securities of, an Associate;
  - vi. we may act as your agent in relation to transactions in which we are also acting as agent for the account of other Clients and/or Associates;
- vii. we may, acting as principal, sell currency to you or purchase currency from you and may, in certain circumstances, deal with you in Investments as principal;
- viii. a transaction is effected in units or shares in In-House Collective Investment Schemes, Connected Investment Trusts, Schroder Alternative Products or in any company of which we or an Associate are the manager, operator, banker, adviser, custodian or trustee;
- ix. we may effect transactions involving placings and/or new issues with an Associate which may be acting as principal or receiving agent's commission;
- x. a transaction is effected in Securities of a company for which we or an Associate have underwritten, or managed or arranged an issue or offer for sale, within the previous 12 months;
- xi. we or an Associate may receive remuneration or other benefits by reason of acting in corporate finance or similar transactions involving a company whose Securities are held by you;
- xii. a transaction is effected in Investments in respect of which (or in respect of a Derivative related to which) we, an Associate, an In-House Collective Investment Scheme, a Schroder Alternative Product or Connected Investment Trust or one of our directors or employees or that of an Associate, is contemporaneously trading or has traded on its own account or has either a long or short position; or
- xiii. we recommend the purchase or sale of an Investment in respect of which one of our Clients has given us instructions to buy or sell, or in respect of which we have, respectively, a long or short position.
- d. We will normally act as your agent and you will therefore be bound by our actions under the Agreement. Nevertheless, none of the services to be provided hereunder nor any other matter shall give rise to any fiduciary or equitable duties which would prevent or hinder us (or any Associate) acting as both market-maker and broker, or principal and agent, or dealing with other Associates and other Clients in Investment transactions with or for you, including programme trades and Derivatives related to such Investments, and generally effecting transactions as provided above, to which you consent accordingly (provided that at all times we act honestly, fairly and professionally in accordance with your best interests).

## B2 Valuations, Confirmations and Periodic Statements

- a. For new clients a valuation showing the initial composition and initial value of the assets comprising a Portfolio will be supplied to you within six months of the commencement date of the Agreement and will then constitute part of the Agreement. The basis of all valuations will be as stated in that first valuation unless otherwise notified to you.
- b. We will send you on a quarterly basis or as may otherwise be specified in the Investment Mandate, a consolidated reporting pack in relation to each Portfolio which may include valuations, transaction statements, cash statements, portfolio performance and comparison with any agreed performance benchmark. If you so agree, we may provide you any reports, valuations or statements electronically as permitted by FSA rules. While this reporting pack may, if so agreed by us, include information about assets not held in our custody, such as ISAs, the official periodic statements in relation to such assets (for which we do not accept responsibility) will be provided by the relevant Outside Custodian. The amount of fees and charges incurred during a reporting period, including management fees, will be itemised in a separate fee invoice unless you have requested otherwise.
- c. Valuations (whether used for ad hoc or periodic statements, or for the calculation of potential or incurred capital gains tax) will be based on the most up to date prices available to us from the sources which we reasonably believe to be reliable. We will use reasonable endeavours to verify the validity of such data but shall not be liable for any inaccuracies in any such data which may be used. You acknowledge that prices shown in any such valuations may not reflect the actual realisable values of Investments held in a Portfolio. Such valuations will be used for the purpose of calculating our fees and commissions in accordance with paragraph A9.
- d. The consolidated reporting pack will (except in the case of Clients of the discretionary cash management service) include a statement of performance produced in accordance with industry standard practice in the UK.
- e. We will send contract notes to you or your nominated agent after we Execute Orders for you unless (i) you request otherwise in writing or (ii) it would duplicate the information that another firm is to dispatch promptly to you or (iii) we are managing your Portfolio on a discretionary basis. If we are managing your Portfolio on a discretionary basis, you may elect to receive information about Executed Orders on a transaction-by-transaction basis by notifying us in writing.

## B3 Voting

- a. Subject to (b) below or any specific instructions by you, where we manage a Portfolio on a discretionary basis, we may procure the exercise of any voting rights attaching to holdings in such Portfolio as we see fit.
- b. We will only procure the exercise of any voting rights attaching to holdings in (i) an advisory or execution-only Portfolio or (ii) an In-House Collective Investment Scheme or Connected Investment Trust on your specific instructions or with your agreement save that we may exercise voting rights in relation to In-House Collective Investment Schemes for any administrative matter or other change to the Scheme that does not involve a conflict of interest for us or an Associate. However, we may count holdings in an In-House Collective Investment Scheme or Connected Investment Trust for the purpose of constituting a quorum at a general meeting of any such scheme or trust.

## B4 Dealing and Counterparties

- a. We will act in good faith and with due diligence in our choice and use of counterparties.
- b. In Executing Orders in relation to a Portfolio, we will seek Best Execution at all times and may (subject to the Investment Mandate) deal on such markets or exchanges and with such counterparties as we think fit. All transactions will be effected in accordance with the rules and regulations of the relevant market or exchange, and we may take all such steps as may be required or permitted by such rules and regulations and/or by appropriate market practice.
- c. If any counterparty fails to deliver any necessary documents or to complete any transaction, we will take all reasonable steps on your behalf to rectify such failure or obtain compensation in lieu thereof. You shall pay all resulting reasonable costs and expenses properly incurred by us.
- d. We may aggregate transactions for you with those of other Clients and of our employees and of Associates (and clients and employees of Associates) and will allocate such transactions on a fair and reasonable basis in accordance with the requirements of the FSA Rules. You recognise that each individual aggregated transaction may operate to your advantage or disadvantage.

- e. Where we have the authority to effect transactions or take steps on your behalf we may agree such reasonable terms as we think fit with the counterparty or other person involved (which may be an Associate) and for that purpose we may:
  - i. give representations and warranties on your behalf;
  - ii. execute agreements, confirmations, terms of business, master documentation and enter into other contractual arrangements on your behalf;
  - iii. take any steps in accordance with market practice or custom as we think fit for the purpose of effecting or settling those transactions, and all such matters will be binding on you.
- b. We execute most Structured Products, and Derivatives for Clients as principal. Where we do so, this will be stated in the transaction confirmation. Structured Products (some offering capital protection) and over-the-counter (“OTC”) derivatives are often complex and are not readily tradable. However, where we execute Structured Product or OTC Derivative orders on behalf of Clients, the Best Execution obligations technically apply even where we deal as principal but have limited scope. Structured Products are constructed using a number of financial instruments which are financed out of the initial investment and the interest foregone by the investor on his cash investment. We may use a range of counterpart investment banks to execute OTC Derivatives with or to provide us with the required derivative exposure for Structured Products. In doing so, we will typically place in competition a panel of leading investment banks with whom we have approved credit counterparty limits in order to deliver the best possible result in terms of the total consideration for the Derivative element, unless this is not possible due to the characteristics of the order or the transaction. In order to find liquidity when redeeming a position in whole or part, the likelihood of execution may be an important factor in selecting the counterpart, which will frequently be the original counterparty for the transaction. Where a feature of a Structured Product is derived from a cash deposit, this is taken on to our balance sheet and priced by reference to the cost of the relevant interest rate swap. Our fee is included within the dealing price of the Derivative or Structured Product and is determined as a percentage of the cost of the incremental parts in accordance with our conflicts of interest policy. The fee will vary according to the nature and terms of the particular Structured Product, but for a standard Structured Product will typically be equivalent to up to 1% of the net asset value per annum. Further details are available on request. It should be noted that the client’s exposure will remain to the issuer of the Structured Product (not the underlying counterpart bank). This is usually us but may on request be a third party issuer.

### B5 Information about our Execution Policy

We are required to put in place an order Execution Policy and to take all reasonable steps to obtain the best possible result on behalf of our Clients when executing orders in relation to Securities and Derivatives or receiving and transmitting such orders for execution. We are also required to provide appropriate information to our Clients about our order Execution Policy. The purpose of the following paragraphs and Appendix 2 is to provide Clients with information on our Execution Policy. Clients who open an Account after 1 November 2007 consent to the Execution Policy, including the Executing Orders outside a Regulated Market or multilateral trading facility, by signing the Form of Appointment or other Account opening documentation. Our Execution Policy applies where we Execute Orders on your behalf as agent or as principal. We will Execute Orders on your behalf where you legitimately rely on us to protect your interests in relation to the pricing or other aspects of a transaction that may be affected by how we execute the order. The sections of Appendix 2 headed “Execution Venues” and “Selecting an Execution Venue” respectively do not apply to Clients that have appointed an Outside Custodian, who will receive information about these aspects of our Execution Policy separately.

- a. Appendix 2 sets out information about our Execution Policy as required by the FSA Rules. We will monitor compliance with our Execution Policy. We will review our Execution Policy at least annually and whenever a material change occurs that affects our ability to continue to obtain Best Execution. Where we make any material changes to our order execution arrangements or Execution Policy, such as amending the list of significant execution venues (which does not include the list of our leading brokers), we will notify you of any such changes, which may be by means of our website or our regular client newsletter. You should therefore refer to such sources for current information about our Execution Policy or execution venues. Further details about our Execution Policy are available on request.
- c. For FX orders in major currencies, we will buy/sell the currency requirement from/to our clients at the prevailing market rate and apply a tiered margin rate to such trades. FX orders under £50,000 or currency equivalent are generally executed by us at rates fixed three times a day from independent price sources with tiered margins applied. For FX transactions involving currencies that we do not execute as principal or which are executed by a third party broker in connection with a security transaction, the currency is bought/sold by our global sub-custodian (which may be an Associate), or the broker, at prevailing market rates with a margin or bid/offer spread applied.

- d. When we Execute Orders for Private Customers, this will be subject to the FSA Rules regarding Best Execution, prioritisation and fair allocation. All transactions in FX or other Investments are subject to applicable local market regulations and the principle of fair treatment of clients. Our processes and procedures are monitored on a regular basis by our Group Internal Audit and Group Compliance Departments.

### B6 Limit Orders

Unless we are instructed otherwise by you, Client limit orders in respect of shares admitted to trading on a Regulated Market which are not immediately executed under prevailing market conditions must be made public in a manner that is easily accessible to other market participants. We believe that your interests are best served if we are able to use our discretion in determining whether to make public such limit orders at the time. Your general authorisation (if applicable) to exercise our discretion whether or not to make public any of my limit orders, unless you notify us to the contrary, is recorded in the Form of Appointment or otherwise in writing. In relation to individual limit orders, it will always remain open to you to instruct us to make them public, having provided this general consent, or not to make them public, if you have not given such consent.

### B7 Warrants, Derivatives and FX Transactions

- a. We will not effect transactions in Warrants or Derivatives (including Contingent Liability Investments) unless specifically agreed in the Investment Mandate or otherwise with you. Appropriate risk warnings are set out in Appendix 3. We may settle or close out such transactions without further reference to you.
- b. You acknowledge and recognise that the markets for Options, Futures or Contracts for Differences can be highly volatile and such investments carry a high risk of loss. In the case of Futures, Contracts for Differences and the grant of Options, a relatively small adverse market movement may result not only in the loss of the original investment but also in further loss exceeding the initial margin deposited.
- c. You should also note that margin payments payable pursuant to Contingent Liability Investments might take the form of a deposit of cash or Investments as security for unrealised losses which have occurred or may occur in relation to your Investments. Payment may be required both on entering into a transaction (initial margin) and on a daily basis throughout the life of the transaction if the value of the w31618 Terms of Business TP.qxd:w28033 Terms of Business 16/10/07 18:37 Page 20 transaction moves against you (variation margin). The movement in the market price of your investment will therefore affect the amount of margin payment you will be required to make.
- d. We may debit any Account with any sums required to pay or supplement any deposit or margin in support of any such transaction. There may be no limit on the amount to be committed by you as margin or deposit in support of such transactions. If you fail to provide margin when required to do so, we (or any applicable exchange, clearing house or counterparty) may close out your positions and exercise any of the rights described in these Terms. We will, in any event, if margin is not provided in relation to a particular transaction, normally close out that position within five Business Days following the date on which your obligation to meet the margin call accrues.
- e. Subject as set out in the Investment Mandate, you authorise us to enter into foreign exchange transactions on your behalf with, as counterparty, ourselves or any Associate or third party. We may enter into foreign exchange transactions, including Forward Foreign Exchange transactions as a principal or agent, incidental to effecting transactions with or for you or for investment purposes or hedging purposes incidental to the management of your Portfolio or to meet your foreign currency needs. We will not enter Forward Foreign Exchange transactions for speculative purposes unless specifically authorised by you and the appropriate risk warnings have been signed and returned by you (in accordance with the above paragraphs relating to Derivatives). When converting foreign exchange incidental to an investment transaction, it is our normal practice to execute the foreign exchange transaction after receiving confirmation of execution of the investment transaction (which is not necessarily on the trade date for the investment) and so there is a risk that you may be adversely affected by movements in the relevant currency markets. We may settle, unwind, close out or terminate foreign exchange transactions as we see fit. We are authorised to pay or deliver sums or Securities from the Portfolio in satisfaction of your obligations under a foreign exchange transaction.
- f. Exchange rate movements will cause the value of overseas investments (relative to your Portfolio's base currency) to rise or fall, unless the currency exposure has been hedged. Forward transactions may have a contingent liability. While we do not require margin payments for non-speculative Forward Foreign Exchange transactions, you should be aware that if the market moves against you, you may be required to make further payments over and above the initial amount paid when you entered the contract in order to settle, unwind, close out or terminate the transaction.

## B8 Structured Products

In relation to Structured Products:

- a. we will explain the structure of the transactions involved. No communication (written or oral) received from us shall be deemed to be an assurance or guarantee as to the expected results of any transaction. We will not be acting as a fiduciary for you in respect of any transaction;
- b. we will not be responsible for providing you with legal or tax advice and you should consult your own advisers. You are not relying on any communication (written or oral) from us as legal or tax advice, and any information or explanations related to the terms and conditions of the transaction shall not be considered legal or tax advice;
- c. we may provide to you a copy of a legal opinion prepared by lawyers commenting on the structure and certain tax considerations of the transaction, but we are not required to do so. Please note, however, that any such legal opinion may be addressed solely to us and does not obviate the need for you to seek your own independent professional advice by reference to your own particular facts and circumstances;
- d. where a Structured Product is linked to an index or basket of indices, each index will be compiled and calculated by a third party (a Calculation Agent). We, the Calculation Agent and any sponsor of the relevant index are not liable for any error or omission in any index, and do not guarantee its accuracy. The Calculation Agent and any sponsor of the relevant index do not guarantee, endorse, sponsor, offer for sale or promote any Structured Product linked to such index which we issue;
- e. Structured Products should not be regarded as being liquid assets. While it is our policy to accommodate early redemption requests for clients whenever possible, subject to volumes and market conditions at the time of the request, no assurance is given that early liquidations of Structured Products will be possible. Liquidation prior to the stated maturity of a Structured Product may result in lower than expected investment returns;
- f. it may take time to structure the investment and/or to process the funds arising on maturity of the investment. Therefore there may be a delay between our receipt of your funds and settlement of the investment. During this time period the funds will bear interest.
- g. we or an Associate will normally act as principal when issuing and dealing in Structured Products. As a result, investors are exposed to the credit risk of the relevant Schroders Group company in relation to the promised benefits of a Structured Product issued by us or an Associate. We may, if you would prefer, be able to arrange the structuring of an appropriate product with a counterparty other than us or an Associate, although this may take longer to structure;
- h. investors should be aware of the following potential risks and further information in relation to Structured Products:
  - i. the promised benefits of a Structured Product are only available at the stated maturity date. You should not invest in a Structured Product if you may require the use of the funds before the maturity date or if you are not prepared to lose some or all of the money invested;
  - ii. where a Structured Product includes some capital protection, this is achieved by using a number of financial instruments which are typically financed out of the initial investment and the interest foregone by the investor. Our fee is generally included within the dealing price of the Structured Product and is determined as a percentage of the cost of the incremental parts. Further details of the costs are available on request;
  - iii. unless the Structured Product is 100% capital protected at maturity, you should be aware that you may not get back the amount originally invested;
  - iv. products linked to the growth of an index do not include an allowance for any return or reinvestment of dividend income from the underlying constituents of the relevant index;
  - v. where the amount of initial capital to be returned is geared, you should be aware that a small percentage fall in the relevant index may result in a larger reduction in the amount paid out;
  - vi. where the level of a Structured Product's return is calculated using an average over a specified period at the end of its term, and the relevant index rises during that period, you will only benefit from some of the performance of the relevant index. Averaging may constrain the final level of the index used to calculate the benefits of the Structured Product, but it may protect against falls at the end of the term.

## B9 Investments which are not Readily Realisable

In accordance with the terms of the investment services which are provided, we may invest in Investments which are not readily realisable Investments, which means that there is a restricted market for them. You hereby acknowledge that it may therefore be difficult to deal in such Investments or to obtain reliable information about their value.

### **B10 Penny Shares**

In accordance with the terms of the investment services which are provided, we may effect transactions in Securities issued by smaller companies including penny shares. You hereby acknowledge that there is an extra risk of losing money as there can be a big difference between the buying price and the selling price of these Securities. If they have to be sold immediately, you may get back much less than you paid for them. The price may change quickly and it may go down as well as up.

### **B11 Securities subject to Stabilisation**

The following statement is made in accordance with the FSA Rules. We or our representatives may, from time to time, recommend to you transactions in Securities, or carry out such transactions on your behalf, where the price may have been influenced by measures taken to stabilise it. You should read the explanation below carefully. This is designed to help you judge whether you wish your funds to be invested at all in such Securities and, if you do, whether you wish (i) to be consulted before we carry out any such transaction on your behalf, or (ii) to authorise us to carry out any such transaction on your behalf without first having to consult you.

- a. We or our representatives may, from time to time, recommend transactions in Securities to you, or carry out such transactions on your behalf, where the price may have been influenced by measures taken to stabilise it.
- b. 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. The FSA allows stabilisation in order to help counter the fact that, when a new issue comes onto the market for the first time, the price can sometimes drop for a time before buyers are found.
- c. Stabilisation is carried out by a 'stabilisation manager' (normally the firm chiefly responsible for bringing a new issue to market). As long as the stabilisation 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.
- d. The provisions under the FSA Rules on stabilisation limit the period when a stabilisation manager may stabilise a new issue; fix the price at which he may stabilise (in the case of shares and Warrants but not bonds); and require him to disclose that he may be stabilising but not that he is actually doing so.

- e. 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.

### **B12 Programme Trades**

We may be acting as principal or agent or arranger in relation to programme trades. A programme trade is a single transaction or series of transactions executed for the purpose of acquiring or disposing, for a Client, of all or part of a portfolio or a large basket of Securities. We may also execute own account transactions in Investments included in a programme trade.

### **B13 Off-exchange transactions**

Where we reasonably believe that such course of action is in your best interest, you agree that we may Execute Orders on your behalf outside a Regulated Market or multilateral trading facility or otherwise in circumstances in which the relevant transaction is not regulated by the rules of any stock exchange or investment exchange and we may deal for you on an exchange which has not been recognised or designated by the FSA. Examples of such transactions and exchanges are available on request. You should be aware that not consenting to such methods of Executing Orders may adversely affect our ability to obtain the best possible result for you, particularly in relation to fixed income instruments or other financial instruments in which there is significant OTC liquidity.

### **B14 Gearing**

Where we reasonably believe that such course of action is in your best interest, we may recommend to you or deal for you in Securities which may use Gearing. For such Securities which (a) are either listed in the UK under the rules made by the UK Listing Authority (or any successor to that body) or issued by an investment trust and listed in a European Economic Area state other than the UK; and (b) are issued by an issuer that either uses or proposes to use Gearing as an investment strategy or invests or proposes to invest in Securities where the issuer of such Securities uses or proposes to use Gearing as an investment strategy; and (c) are likely to be subject to fluctuations in value which are significant compared with the likely fluctuations in value of the underlying Investments, we are required by the FSA Rules to give you the following warning: the strategy which the issuer of such Securities uses or proposes to use may result in:

- i. movements in the price of the Securities being more volatile than the movements in the price of underlying Investments;
- ii. the Securities being subject to sudden and large falls in value; and

- iii. your getting back nothing at all if there is a sufficiently large fall in value in the Securities.

### B15 UK Trustee Act 2000

Where you are subject to the Trustee Act 2000:

- a. you warrant and represent that the investment guidelines and your attitude to risk as contained in the Investment Mandate(s) and the other provisions of the Agreement are consistent with your written policy statement issued in accordance with the Trustee Act 2000 and that we, by acting in accordance with this Agreement, will be fully complying with your policy statement in all respects and you undertake to notify us in writing of any amendment to your policy statement; and
- b. you acknowledge and accept pursuant to section 14 of the Trustee Act 2000 that in order for us to fulfil our obligations under this Agreement it is necessary that we have the authority (if required) to appoint substitutes and/or to act in circumstances capable of giving rise to a conflict of interest (as set out in paragraph B1).

### B16 External Deposits

- a. We may place your monies in our name or our nominee's name on your behalf and at your risk with other banks, building societies or other financial institutions (including Associates). In the case of monies placed in the course of, or in connection with, Designated Investment Business such deposits will be held in accordance with the Client Money Rules.
- b. For deposits placed outside the UK (including, but not limited to, Guernsey, Jersey or the Isle of Man) you acknowledge that the applicable legal and regulatory regime will be different to that in the UK. In particular, in the event of a default by the approved bank your money may be treated differently and may not be protected as effectively as if money had been held in the UK. Full details of the protections that apply in jurisdictions outside the UK are available on written request.
- c. The terms and conditions applying to deposits placed with banks, building societies or other financial institutions will be the terms and conditions determined by the relevant bank, building society or financial institution. Details of the applicable terms and conditions are available on request. By appointing us to act on your behalf to place monies in such accounts, you consent to such deposits being made on such terms and conditions.
- d. There may be occasions when we transact business for you which involves your money being passed to an intermediate broker or settlement agent or over the counter (OTC) counterparty outside the UK. The legal and regulatory regime applying to such third parties may be different from that of the UK and in the event of a failure of such broker, settlement agent or OTC counterparty your money may be treated differently than if it was held in the UK. Unless you object in writing, we will assume that we may pass your money to such a broker, settlement agent or OTC counterparty in order to settle any relevant transactions.
- e. You should note that the rate of interest paid by banks, building societies or other financial institutions holding such accounts may exceed the rate of interest which may be earned by you, as specified in our Tariff of Charges. Any excess in interest paid by banks, building societies or other financial institutions over the interest to which you are entitled under our Tariff of Charges will be for the benefit and account of, and shall be retained by, us. Interest will not be paid on client money in the course of settlement or on income accounts or otherwise where the FSA Rules do not require interest to be paid. Prevailing interest rates will be included in your account valuation and statement.

## Part B (Section 2) – Discretionary Investment and Cash Management Terms

### B17 Discretionary Mandate

- a. We will manage any specified Portfolio (including Cash Balances held in a Cash Management Support Account or Investment Deposit Account, as the case may be) in accordance with the investment objectives and subject to any restrictions stated in the Investment Mandate(s) and will act in good faith and with due diligence. Subject to such objectives and restrictions, we, normally acting as agent, will have complete discretion over the relevant Portfolio (without prior reference to you) to buy, sell, retain, exchange or otherwise deal in Investments and other assets, place deposits, subscribe to issues and offers for sale and accept placings, underwritings and sub-underwritings of any Investments, make decisions in relation to corporate actions and class actions, advise on or execute transactions in Collective Investment Schemes and otherwise act as we judge appropriate in relation to the management of a Portfolio, subject to the overriding principles of suitability and acting honestly, fairly and professionally in accordance with your best interests.
- b. The investment objectives and restrictions stated in the Investment Mandate(s) will not be deemed to be breached as a result of changes in the price or value of assets in a Portfolio brought about solely through movements in the market.

- c. We will keep the objectives and restrictions stated in the Investment Mandate(s) under review and may, from time to time, suggest to you such amendments as, in our opinion, are appropriate. You also hereby agree to advise us of any changes in circumstances which may alter or affect the relevance or suitability of the terms of the Investment Mandate(s).

#### **B18 Borrowing and Overdrafts**

- a. We may not, unless separately agreed in writing with you, make arrangements to:
- borrow on your behalf against the security of any Securities or other property; or
  - deposit any Securities with a third party by way of collateral (except for any margin paid pursuant to paragraph B6). This is without prejudice to the provisions in paragraphs A9(d) and A16(d) above.
- b. Subject to (a) above, any income or fees received (net of charges and expenses) in relation to such loans will be added to the relevant Portfolio.
- c. We may not, without your consent, commit you to supplement the assets of a Portfolio by borrowing on your behalf or by committing you to a contract which requires you to supplement such assets.
- d. We may direct any Associate holding or controlling assets in a Portfolio or, as the case may be, the Outside Custodian, to retain a lien or security interest over any assets of a Portfolio to the extent that any costs, losses or claims detailed in the Agreement, for which you are obliged to indemnify us or any Associate, remain unpaid.

## **Part B (Section 3) – Investment Advisory Terms**

#### **B19 Mandate**

- a. We will advise you on, and execute orders in, Investments on your behalf (subject to the principles of suitability and Best Execution) but, in each case, only upon your specific authorisation and not in the exercise of our discretion. We may from time to time give you advice on, or review, your Investments or Portfolio(s) on an unsolicited basis. However, you accept that you will specifically authorise all dealings.
- b. We agree to act as non-discretionary investment manager for you (unless we notify you otherwise) and, where we act as such, will provide you with ongoing advice on the suitability of Investments in the Portfolio and, on a quarterly basis, we will review the Portfolio

against the Investment Mandate. In giving investment advice, we may advise you in connection with a Portfolio and such other matters as we may deem appropriate. On your request, we shall express reasons influencing such advice but, subject thereto, we will not ordinarily state the basis on which the judgement leading to any such advice is founded.

- c. The investment objective of a Portfolio is as set out in the Investment Mandate. You acknowledge that the performance of a Portfolio may vary significantly from the investment objectives as a result of decisions made by you.
- d. In relation to regulated Collective Investment Schemes, unless we have notified you otherwise, for instance in Key Facts Documents entitled “about our services”, we offer products from the whole market and we will rebate to you any commission that we may receive from providers of schemes you invest in (including In-House Collective Investment Schemes), except that we may retain up to £10 each year.
- e. In respect of regulated Collective Investment Schemes and ISA products, you agree that Key Facts Documents need not be provided except on your request and that, to the extent permitted by the FSA Rules, any rights of cancellation or withdrawal will not apply.
- f. Generally we do not give advice on insurance-linked or protection products, and so, when advising you, will not take into account your insurance or protection needs. If, however, we do agree to advise you on insurance-linked products, then we will provide the relevant information or Key Facts Documents to you.

## **Part B (Section 4) – Execution-Only Terms**

#### **B20 Mandate**

- a. We have no discretion in respect of a Portfolio and will effect a transaction only on your specific instructions.
- b. In respect of the execution and/or the reception and transmission of Client orders at your initiative for financial instruments that are non-complex (as defined in the FSA Rules), we are not required to assess the suitability or appropriateness of the transaction or service and therefore you will not benefit from the protection of the FSA Rules on assessing suitability or appropriateness. Non-complex instruments include, for example, units or shares in regulated Collective Investment Schemes and shares or bonds that are listed on a Regulated Market.

- c. In respect of the execution and/or the reception and transmission of Client orders not provided at your initiative, or for financial instruments that are complex (as defined in the FSA Rules), we may require you to provide us with information regarding your knowledge and experience in the relevant investment field so as to enable us to assess whether the transaction or service is appropriate for you. If you elect not to provide such information, this will not allow us to determine whether the transaction or service envisaged is appropriate for you. If we do not consider the transaction to be appropriate for you, or you elect not to provide us with the relevant information when requested, and you ask to proceed despite being given the relevant warning, we may decline to carry out the transaction or service in our discretion.
- d. Where we have categorised you as a professional client under the FSA rules, or you have dealt in the same type of product or service through us before 1 November 2007, we shall presume that you have the necessary experience and knowledge in order to understand the risks involved in the relevant transaction or service. We will not normally need to assess appropriateness where we are Executing Orders or receiving and transmitting orders for you on the basis of a recommendation made by another investment firm

## Part C – Custody Services

The following additional terms apply where as part of the services to be provided pursuant to the Agreement we are to act as custodian and are to provide custody services to you.

### C1 Custodian's Responsibilities

- a. We will be responsible for the safekeeping of any Investments forming part of a Portfolio (including any cash), the settlement of transactions effected by us, the collection of income, the presentation for redemption or payment of any Investments which are redeemed or called, and the effecting of other administrative actions in relation to a Portfolio. We will use reasonable care and diligence in carrying out these services and will at all times act in good faith. We have appointed an Associate, Schroder & Co. Bank A.G., which is a bank regulated in Switzerland, as our global sub-custodian.
- b. If relevant, we will provide such information as your auditor may reasonably require to perform its functions, in particular, the verification of assets held by us or any sub-custodian(s).

### C2 Registration of Securities

- a. We will arrange for a Portfolio's Securities to be registered in the name of a nominee company or an Associate or held to our order by a sub-custodian or sub-custodians chosen by us or by an Associate acting as our sub-custodian (where relevant, satisfying the requirements of the FSA Rules). This is subject to paragraph (h) below.
- b. Where any Securities are in uncertificated form, or are otherwise transferable by book entry transfer, we may (where this is standard market practice) use the services of any securities depository, clearing or settlement system, account controller or other participant in the relevant system, on such terms as we think fit, for the purposes of the holding and transfer of such Securities (or entitlements thereto). Such Securities or entitlements will be separately identifiable from any Securities or entitlements held for our own account within the same system.
- c. We will keep records which identify each Client's Investments separately; where required by the FSA Rules, a statement of your Securities and other Investments held by us and our sub-custodian(s) will, if the information is not included in your valuation reporting pack referred to in paragraph B2(b) above, be sent to you at least once a year which will be based on trade date and include a valuation, where applicable, calculated as set out in paragraph B2(c).
- d. Securities held within a Portfolio may be pooled with those of other Clients. Individual entitlements to such Securities may not be identifiable by separate certificates or other physical documents of title or equivalent electronic records and, should we or a sub-custodian default, any shortfall may be shared pro rata among all our Clients whose Securities are registered or held in the same name and you may not receive your full entitlement.
- e. We will not use your Securities for our own account or for the account of another Client.
- f. If so requested, you will promptly arrange for the execution or production of any documents necessary to carry out transactions effected in accordance with this Agreement. Where you envisage a delay or failure in delivering such documents, you shall notify us immediately.
- g. We will not lend Securities or documents of title or certificates evidencing title to Securities comprising a Portfolio to any third party. However, in accordance with your instructions or paragraph B18 we may deposit such assets by way of collateral with a third party and may borrow on your behalf against the security of those assets. In addition, some Collective Investment Schemes may be permitted to stock lend in accordance with the terms of the relevant prospectus or Key Facts Document.

- h. We may hold your Investments and register them in our name or in the name of a sub-custodian only where, due to the nature of the law or market practice of an overseas jurisdiction, it is in your best interests to do so or it is not feasible to do otherwise. If Investments are registered in our name, you understand that (i) your Investments may not be segregated from our own investments, (ii) your Investments may not be as well protected from claims made on behalf of the general creditors in the event of a default by us, (iii) you consent to your Investments being so held in such circumstances, and (iv) the consequences of your giving such consent are at your own risk.
- i. Where we hold or arrange to hold Securities outside the United Kingdom, there may be different settlement, legal and regulatory requirements in overseas jurisdictions to those applying in the United Kingdom, or such jurisdiction as is appropriate in the circumstances, and there may be different practices for the separate identification of Securities. However, our sub-custodians are obliged, among other things, to record Securities belonging to our Clients separately from our own and our Associates' holdings.
- j. ISA holdings and cash management service assets (other than the Cash Management Support Account) are held in your name or in a designated client nominee account.

### C3 Settlement

We will operate a settlement system under which you are debited with the purchase cost or credited with the proceeds of sale on the usual settlement (or subscription) days for the market concerned, conditionally upon settlement being ultimately effected. This may result in either a benefit or a loss to us or you where settlement is effected at other times. We reserve the right to effect the cancellation of any debit or credit so attributed to you if there are unreasonable delays or difficulties in settlement. In this event, we will promptly notify you but, where appropriate, will also continue to seek to effect settlement.

### C4 Corporate Actions, Income Collection and Tax Reclaims

- a. We will attend to the collection of all income due on, and the vesting of all other rights and entitlements attaching to, Investments in a Portfolio, during the period the Portfolio is held in our custody. Where we receive money relating to Investments after your Portfolio is closed, we will normally return the payment to the sender but, where this is not practical, we will take reasonable steps to pay the money to you subject to our usual charges. However, where we are unable to trace you, the money will be held by us in a pooled client account and treated

in the same way as funds in an inactive account in accordance with paragraph D7 below.

- b. Where relevant, you may provide documentation to us in order to allow the correct tax treatment of distributions at source. Where specified in your Investment Mandate, we will use our reasonable efforts to make, or assist in making, any tax repayment claims to which you (or where you are a trustee, the trust or scheme) may be entitled. We reserve the right to set a minimum value below which we will not attempt to reclaim tax. We will not be responsible for failure to secure tax reclaims or for any delay in receipt.
- c. Dividends and distributions and any other income will be credited to you not later than the date of receipt by us of cleared funds. Dividends and distributions on non-UK Investments may be credited to you on the date when we receive notification of receipt by the sub-custodian or after receipt of funds following any necessary currency conversion (which shall be promptly effected). In the case of pooled accounts, you will receive your entitlements to dividends, entitlements to shares and any other benefits arising from corporate events which we receive and you are due in line with market policy and these will be credited to your relevant individual Portfolio. Where we are unable to fully allocate entitlements to shares or other benefits to individual portfolios, due to fraction sizes, we will sell the assets and credit the proceeds to the relevant individual portfolios if this is in line with market policy.
- d. We will use our reasonable endeavours to contact execution only and advisory clients regarding corporate action decisions that need to be made, for example where a company offers its shareholders a cash dividend or a scrip alternative or dividend reinvestment plan. If we are unable to contact you, and usually for all discretionary clients, we will elect for the cash dividend in such cases and will elect for the security currency where there is a currency option, unless you have given us written instructions to the contrary. However, we will take no action for execution only or advisory clients that we are unable to contact in respect of other corporate actions where a decision is required, including class actions. Discretionary clients (whether or not we are the custodian) authorise us to take any action we deem appropriate at our sole discretion in relation to any corporate action without obtaining your prior instructions, subject to any standing written instructions.

### C5 Investment Deposit Account (Not applicable to cash management service accounts)

- a. Unless you have arranged your own Outside Custodian,

each Portfolio will include one or more Investment Deposit Accounts. Cash held within a Portfolio may be held in these accounts. As we are an approved bank for the purposes of the FSA Rules, if money in an Investment Deposit Account is held by us, it will be held by us as banker and not as trustee, and will not constitute “client money” for the purposes of the Client Money Rules.

- b. The Banking Terms set out in Part D below (other than paragraph D14(d) relating to minimum credit balance and D8-D13 relating to Payment Accounts) shall apply to an Investment Deposit Account as if the words “Investment Deposit Account” were substituted for “Account”, where relevant. The interest rate applied to Investment Deposit Accounts is calculated using the method explained in our Non-Payment Accounts Rate Sheet, which is available on request and on our website at: [www.schroders.com/privatebank](http://www.schroders.com/privatebank). The applicable interest rate will vary according to the reference rate shown in the Non-Payment Accounts Rate Sheet and the balance in the account. Any changes to the rate of interest will be notified to you in accordance with paragraph D11 (in the case of Payment Accounts) or D16 (in the case of Non-payment Accounts) respectively.

#### C6 Cash Management Support Account

- a. Each Client of the cash management service will open a Cash Management Support Account. Cash held within a Portfolio may be held in this Account. As we are an approved bank for the purposes of the FSA Rules, if money in a Cash Management Support Account is held by us, it will be held by us as banker and not as trustee and will not constitute “client money” for the purposes of the Client Money Rules.
- b. The Banking Terms set out in Part D below (other than paragraphs D8-D13, D15 and D17) shall apply to a Cash Management Support Account as if the words “Cash Management Support Account” were substituted for “Account”, where relevant.
- c. No interest will be payable on a Cash Management Support Account.
- d. You acknowledge that we may from time to time transfer amounts of your cash to the Cash Management Support Account in order to maintain the percentage of your total amount in the cash management service which we have agreed with you will not bear interest.
- e. Our remuneration for the Cash Management Service is designed to be equivalent to a fee of up to 0.25% p.a. of the Portfolio value, and may be structured in different

ways depending, for instance, on the type of asset held. We may use a combination of one or more of the following methods:

- Place a percentage of the portfolio in a non-interest bearing deposit account with us
- Apply a profit margin percentage to the interest rate where the deposit is placed with us
- Charge a custody fee or
- Receive commission from a provider of products

We will tell you what method or methods we use and of any changes to the methods or percentages used, which may vary with interest rate conditions from time to time. Further details available on request

#### C7 Foreign Law and Practice

We draw your attention to the fact that, in certain overseas jurisdictions, there may be different settlement, legal and regulatory requirements to those applying in the UK and also different practices for the separate identification and segregation of your Investments.

## Part D – Banking Terms

Set out below are the main characteristics of, and the terms and conditions on which we will provide, banking services, including Payment Accounts, to you. They are supplemental to, and shall be read in conjunction with, the General Terms set out in Part A of these Terms. As we are an approved bank for the purposes of the FSA Rules, if money in a bank account is held by us, it will be held by us as banker and not as trustee, and will not constitute “client money” for the purposes of the Client Money Rules. We do not offer single payment service contracts, cash deposit ISAs or Child Trust Funds or basic bank accounts.

This Part of the terms is structured as follows:

- Introductory paragraphs and Section 1 apply to all banking services;
- Section 2 applies to Payment Accounts only;
- Section 3 applies to Non-payment Accounts only.

If you decide to move to another provider of banking services, we will provide a prompt and efficient service to enable the termination of our banking services, closing the Account and returning any deposit to you.

If you should experience financial difficulties, please inform us as soon as possible so that we can ensure we continue to treat you fairly.

## Part D (Section 1) – Banking Services General Terms

### D1 Taxation of Interest

- a. Under current UK legislation we are generally obliged to deduct tax from interest paid to an individual Client or relevant trust. A Certificate of Deduction of Income Tax will be sent to you shortly after 5th April each year.
- b. However, if you are not subject to UK income tax on any interest payable to the Account (for example, because you are a non-taxpayer or because you are not ordinarily resident in the UK for UK tax purposes), interest can be applied gross provided that we are in receipt of the requisite declaration of this fact on the appropriate HMRC form. The relevant HMRC form will be supplied to you on request. In the case of an Account in joint names each Client must be eligible in order for interest to be applied gross to the Account.
- c. In the case of Accounts for companies, charities or where otherwise permitted under relevant legislation, tax will not be deducted and interest will be applied to the Account gross.
- d. In the case of Fixed Deposit Accounts, provided the amount of the deposit exceeds £50,000 (or the currency equivalent) and the term of the deposit is fixed and not variable, interest will be paid gross. A Certificate of Interest Paid will be sent to you shortly after 5th April each year.
- e. We will set up your Account to receive interest either gross or subject to basic rate tax on the basis of information you have provided to us. If this information is no longer accurate, for instance due to a change in your residence status or income level, please notify us in writing at your earliest convenience. If you have told us that you are not ordinarily resident in the UK for tax purposes and this situation changes, you have a legal obligation to tell us this immediately. It is ultimately your responsibility to ensure the correct amount of tax, including any higher rate tax, is paid to HMRC.
- f. We draw to your attention the fact that following the implementation of the European Savings Directive (2003/48/EC), we are obliged to report information regarding your savings income (if you are an individual Client) to the HMRC, who may exchange information with the relevant authorities of other member states of the European Union and associated countries.

### D2 Making Deposits and Withdrawals

- a. When making deposits into an Account, you should follow the following guidance :
  - i. Cheques should be made payable either to (i) “Schroder & Co. Limited A/C [insert Client name]” or (ii) to yourself with your name written out in full, and with the account number printed on the back;
  - ii. when arranging for your bank to transfer funds electronically by CHAPS, BACS or Swift please quote the name of the Account to be credited and the Account number (your bank may charge you for making such transfers).
- b. In order for an outgoing payment to be properly executed by us, you must provide your Account number in full, which is shown on your statements or chequebook, if applicable, and the amount. You must also provide the following details in relation to the payee:
  - i. For payments within the UK, the sort code and account number and name of the payee;
  - ii. For payments to other countries, the equivalent information as in i (the sort code is sometimes known as BIC or swift code), the destination country, the currency to be sent and the payee’s IBAN (International Bank Account Number);

Note that the payee’s name does not form part of the official payment routing information. For security purposes, we may also require you to give a password if your instructions are received by facsimile, email or telephone in accordance with paragraph A5 of these Terms (which detail the form and procedure for giving consent to the execution of a payment instruction).
- c. If you wish to revoke or cancel a payment instruction or place a “stop” on a cheque that you have written, you should telephone us as soon as possible, giving details of your Account number, the cheque number (if applicable), the amount, the payee’s name and the date of the payment order/cheque. If you wish to cancel a direct debit or standing order, you must do so before the relevant Cut-off Time, giving your Account number, the name of the recipient, the amount and the frequency. You must confirm your instructions in writing as soon as possible. It is not possible to cancel or stop a payment instruction after the end of the Business Day preceding the day agreed for execution of the payment order (including a standing order or direct debit) or, in the case of a cheque, once we are committed to pay the cheque. It is not possible to stop or cancel a banker’s draft. A charge for stopping any cheque or cancelling any payment instruction will be incurred as set out in the Tariff of Charges for banking services.

- d. In some cases, such as a direct debit, you may authorise another person to instruct us to debit money from your Account. When this happens, we will treat each instruction from the other person as having been authorised by you. You can also authorise a transaction after it has been made by providing consent to the transaction orally or in writing to us.
  - e. In the case of Sterling cheques drawn on an authorised bank or building society situated in the UK, an Account will be credited (i) on the third Business Day following receipt by us of the cheque or (ii) three Business Days after the cheque has been paid in by bank giro credit. You should note that although an Account may have been credited as above such funds are not immediately cleared or available for drawing. Please see paragraph D4 below for further details.
  - f. Any drawings by you on an Account should only be made against cleared funds, and for this purpose our obligation to pay out funds from an Account shall be limited to cleared funds on that Account.
  - g. Direct debits and standing orders may be established and will be paid automatically by us, provided that the cleared balance of your Account is sufficient to meet each payment. All instructions in relation to direct debits and standing orders must be made in writing and bear your original signature. Mandates for direct debits will be provided by the company to which those payments are to be made.
- D3 Payment Execution Times**
- a. In this clause, we agree to make payments from your Account (where this is a service we provide for the relevant Account type) as authorised by you within timescales that relate to when we receive your payment instructions. The time of receipt will be the time we receive your payment instructions rather than the time you send them. Payment instructions received on a day other than a Business Day will be treated as received on the next Business Day. Payment (or cancellation) instructions received after our Cut-off Times on a Business Day will be treated as received on the next Business Day or as otherwise notified; instructions for a future dated payment will be treated as received on the day agreed for payment (or, if this is not a Business Day, it will be treated as received on the next Business Day). Where we refuse to make a payment in accordance with your payment instructions or authorisation, we will treat the instructions as if they had not been received for the purposes of calculating payment timescales. We will tell you the reason unless it would be unlawful to do so.
  - b. Where you instruct us to make a payment in a Relevant Currency, we will credit the institution which holds the payee's account if it is in the EEA within the following timescales:
    - i. at latest, by the end of the third Business Day following the one on which we receive your payment instructions (within the meaning explained in paragraph B3 (a) above); or
    - ii. for paper-based instructions, by the end of the fourth Business Day following receipt of your instructions.
  - c. For payments involving other currency denominations to accounts held within the European Economic Area (EEA), we will credit the institution which holds the payee's account by the end of the fourth Business Day following receipt of your payment instructions (as explained above). The receiving bank (if in the EEA) is obliged by law to pay it into its customer's account on the day it receives the payment from us.
  - d. For payments outside the EEA, different payment timescales will apply, which we will not be able to control. On request, we will endeavour to provide guidance about how long the payment will take to arrive, but any such guidance is not binding on us.
  - e. Where you instruct us to perform a currency conversion between two Relevant Currencies, we will credit the institution which holds the payee's account by the end of the third Business Day following the one on which we receive your payment instructions (as explained above) provided that (i) the payee's account is held within the UK; or (ii) in the case of a cross-border payment, the cross-border transfer takes place in a Relevant Currency. For other currency conversions, different execution times will apply.
  - f. If you have instructed us to make an electronic payment, you must ensure that there are sufficient funds in your Account by the end of the Business Day before your payment is due to be taken from your Account, as we can take the payment from your Account at any time during the Business Day.

#### D4 Cheque Clearing/Receipt of Funds

- a. You should note that when a cheque is paid into an Account, the bank on which the cheque is drawn has the right to return the cheque unpaid. The length of time that a bank has to return a cheque will vary depending on banking practices and procedures in the jurisdiction of the bank on which the cheque is drawn. In the case of a Sterling cheque drawn on an authorised bank or building society situated in the UK a cheque can be returned no later than the end of the sixth Business Day after presentation. You should not rely on the inclusion of any cheque funds credited to an Account in a statement (oral or written) as confirmation that the cheque has cleared even though the funds may be available for you to use from the second Business Day after we receive them.
- b. If a cheque that has been paid into an Account is returned to us unpaid by the drawer's bank we shall advise you accordingly and return the cheque to you. Any credit (including accrued interest) that has been made to the Account in respect of any such cheque will be reversed.
- c. Where we receive electronic transfers for credit to your Account in a Relevant Currency, the funds will be credited to your Account for value immediately provided we have all the information necessary to do so, unless it is received after the relevant Cut-off Time, in which case it will be credited to your Account for value the next Business Day. Other currencies paid by electronic transfer will be credited and will be treated as cleared funds on the day after we are notified of receipt.
- d. If the bank or other organisation that a cheque was drawn on decides not to honour it, they will normally explain the reason for non-payment. We will deduct the amount of the cheque from your balance no later than the end of the sixth Business Day after it was added to your Account balance. After that, we will not deduct the amount of the cheque from your Account balance unless you give your consent to our doing so or you were knowingly involved in a fraud concerning the cheque.
- e. Where legal reasons require, or in certain limited circumstances beyond our control, the payment of a cheque into your account may be prevented or may take longer than the time periods set out in this paragraph.
- f. For foreign currency cheques or cheques which are not issued by or deposited with a UK bank, different cheque clearing procedures and longer time periods may apply than those stated above and local foreign exchange or other restrictions may potentially prevent payment.

#### D5 Charges for Banking Services

- a. Details of all charges payable to us in relation to your Account are set out in our Tariff of Charges. There may be other costs (such as taxes or currency conversion commission) imposed by third parties on your account or payment transactions. We may debit to your account the amount of any tax, duty or other charge levied on your account or transaction by any competent authority in connection with your account and which we may pay to such authority on your behalf.
- b. Where a notice Account (if made available) is closed without giving the contractual notice, we will charge you an amount equal to the interest which would have been payable during the contractual notice period. Closure in such circumstances may be declined at our discretion.
- c. Where a payment transaction in a Relevant Currency within the EEA does not involve a currency conversion, no deductions of charges from the full amount of the payment transaction are allowed except by the payee's payment service provider. Accordingly, the normal charging option for such payments will be for each of the payer and payee to bear the costs of their own payment service provider (i.e. shared or "SHA" ) and the option for the payer to bear all costs ("OUR") will only be available (on request) where there is a currency conversion. The charging option for the payee to bear all the costs ("BEN") is not available.

#### D6 Liability and refunds

- a. Your liability in respect of losses for unauthorised payments from your Account (other than by cheque) is limited as follows if you are a Retail Customer:
  - i. Except where (ii) applies, you will be liable up to a maximum of £50 for any losses incurred in respect of unauthorised payments from your Payment Account arising from the use of a lost or stolen Security Details or from the misappropriation of the Security Details where you have failed to keep them safe.
  - ii. The £50 limit in (i) does not apply to:
    - (a) losses where you have acted fraudulently; or
    - (b) losses relating to a credit balance where you have failed, intentionally or with gross negligence, to comply with any term of our agreement with you relating to the issue or use of Security Details; or
    - (c) losses arising from the creation or misuse of an overdraft on your Payment Account caused by the misuse of your Security Details by someone who obtained them with your consent; or
    - (d) losses where you have authorised another person to use your Payment Account.

- iii. Unless you have acted fraudulently, you will not be liable under (i) or (ii), where applicable, for any losses arising from the unauthorised use of any Security Details:
  - (a) after you have notified us in accordance with paragraph A(5) or
  - (b) where we have not, at any time, provided you with the appropriate means to notify us in accordance therewith.
- b. The above limits do not apply in respect of losses incurred in your Payment Account as a result of any other cause. However, you may still be entitled to a refund under paragraph (g) below.
- c. We will not be liable to you for any breach of (or failure to perform) our obligations where that breach (or failure) is due to abnormal and unforeseeable circumstances beyond our control, the consequences of which would have been unavoidable despite all efforts to the contrary.
- d. We will not be liable to you for any loss suffered in respect of a payment that you have not authorised in accordance with paragraphs A(5) or D2(d), or which has been incorrectly paid, unless you notify us without undue delay on becoming aware of the unauthorised or incorrect payment and, in the case of a Payment Account, in any event not later than 13 months after the date that your account is debited. This will not apply if we have failed to provide you with information about the payment in your Account statement.
- e. Where you do not supply the correct payment routing information (for example, you provide the wrong account number or sort code for the payee), we will not be liable for failing to make a payment or making an incorrect payment. Where you supply the payee's name in addition to their account number, we will only be responsible for making the payment in accordance with the account number. We will make reasonable efforts to recover the funds involved and may charge reasonable costs of doing so in accordance with our Tariff of Charges for banking services where (i) incorrect payment routing information was provided to us or (ii) the payment was not in a Relevant Currency or (iii) the payee's bank is outside the EEA.
- f. Where we make a payment from your Account that you have not authorised in accordance with Clause A(5) or D2(d) and where you have notified us in accordance with paragraph (d) above, we will make immediate efforts to trace it (for which we may charge reasonable costs in accordance with paragraph (e) above) and tell you the outcome. We will refund the amount of the unauthorised payment and, where applicable, restore your Account to the position it would have been in had the unauthorised payment not taken place.
- g. We will refund to you the full amount of any payment from your Payment Account carried out by or through the payee if you are a Retail Customer and the following conditions are satisfied:
  - i. your authorisation to debit your account did not specify the exact amount of the payment;
  - ii. the amount of the payment exceeded the amount that you could reasonably have expected, taking into account your previous spending pattern, these Terms and the circumstances of the case (but not increases that arise as a result of exchange rate fluctuation); and
  - iii. you request a refund within 8 weeks of the funds being debited from your Account,.
- h. For the purposes of paragraph (g) above, you must provide us with such information as is reasonably necessary to check whether the above conditions have been satisfied. We will refund the full amount of the payment or give a reason for refusing the refund within 10 Business Days of receiving your request for a refund, or, where applicable, within 10 Business Days of receiving any further information required under this paragraph.
  - i. For Direct Debits in Sterling, your refund rights under the UK Direct Debit Scheme will continue to apply and are as follows:
    - This Guarantee is offered by all Banks and Building Societies that take part in the Direct Debit Scheme. The efficiency and security of the Scheme is monitored and protected by your own Bank or Building Society.
    - If the amounts to be paid or the payment dates change, the payee will notify you 10 Business Days in advance of your Account being debited or as otherwise agreed.
    - If an error is made by the payee or your Bank or Building Society, you are guaranteed a full and immediate refund from your branch of the amount paid.
    - You can cancel a Direct Debit at any time by writing to your Bank or Building Society. Please also send a copy of your letter to the payee.
- j. You will not be entitled to a refund under paragraph (g) where you have given your consent to the payment directly to us and either we (or, where applicable, the payee) have provided you with information about the payment at least 4 weeks before the due date of the payment or information about the payment was made available to you personally via telephone or other means at least 4 weeks before the due date of the payment.

- k. We are liable to you (if you are a Retail Customer) for making payments from your Account correctly (i) in the case of payments in a Relevant Currency within the EEA, unless we can prove that the institution which holds the payee's account received the payment in accordance with the timescales set out in paragraph D3 above or (ii) in the case of other payments, unless we can prove that the payment was authenticated, accurately recorded, entered in our accounts and not affected by a technical breakdown or some other deficiency. If having investigated it we conclude that we are liable, we will without undue delay refund the amount of the unpaid payment or defective payment and, where applicable, restore your Account to the position it would have been in had the error not taken place (subject, in the case of payments not in a Relevant Currency or not within the EEA, to any exceptions permitted under the FSA Rules). We will not have any further liability to you.
- l. We shall, provided we act fairly, have a right of set-off extending to include a continuing right at any time to combine, consolidate or merge all or any of your Accounts with us or any Associate and to transfer all or any part of any balance to the credit of any Account you hold with us or any Associate (and in whatever currency and whether in the same currency as the liability to be set-off or otherwise and for that purpose we may purchase one currency with the other) and to use the same in or towards payment or satisfaction of:
- i. all of your present or future indebtedness to us or any Associate on any Account or otherwise (including interest and/or charges); and
  - ii. all of your liabilities whatsoever to us (and/or any Associate) whether present or future, actual or contingent; and
  - iii. all costs, charges and expenses howsoever incurred by us or any Associate in relation to the exercise of this right of set-off of such indebtedness or liabilities on a full indemnity basis.

We will tell you at least seven days before doing this, unless we reasonably suspect you may move your money to prevent us doing so.

Nothing in these arrangements shall be treated as constituting a restriction or negation of any right of set-off, lien, charge, pledge or any other right we or any Associate may have existing or implied by law.

## D7 Inactive Accounts

- a. If we determine that the Account has been dormant for a period of two or more years, or that the address we currently hold for you is no longer correct, despite reasonable steps to confirm with you that the Account is still active, we may cease to send Account statements to you for security reasons. You can instruct us at any time to recommence the sending of statements, but we may ask you to provide appropriate verification of identity before reactivating the account.
- b. You agree that if there has been no movement on the balance of any of your Accounts for a period of at least six years (notwithstanding any payments or receipts of charges, interest or similar items) and we have taken reasonable steps to trace you and to return the balance, then in relation to each such Account we may release all money from that Account, and interest will no longer be accrued. Such money will, however, remain owing to you and we undertake to make good any valid claims against any released balances.
- c. Under the Dormant Bank and Building Society Accounts Act 2008, we can close an Account that has had no transactions for 15 years and we have lost contact with the account holder in spite of making reasonable attempts to find them, and can transfer the balance to the UK's central reclaim fund. However, if the account holder is subsequently identified and seeks repayment, we will pay back in full the balance in the Account when we closed it. We may reclaim this money back from the reclaim fund under this legislation on the account holder's behalf.
- d. The BBA (British Bankers' Association) can help you trace a lost bank account. It is also possible to trace another person's lost account if you are legally empowered to do so. This free service applies to every bank in the UK, including banks that no longer exist, for instance as a result of mergers or reorganisations. Please refer to [www.mylostaccount.org.uk](http://www.mylostaccount.org.uk) for further information.

## Part D (Section 2) – Payment Account Terms

### D8 Our Payment Account Services

The main characteristics of the services we provide in relation to Payment Accounts are as follows:

- a. Payments into your Account
    - i. Cash: we do not accept physical cash deposits. However, Sterling cash may be deposited into your Special Account at any UK branch of our clearing bank, HSBC Bank plc, using a giro credit slip and subject to their requirements. HSBC Bank plc may levy a charge for handling cash paid in over their counters. The money will be added to your balance and credited to your Account on the same Business Day as they are credited to our account (normally the next Business Day after deposit at HSBC Bank plc).
    - ii. Cheques: we accept Sterling cheques by post or in person at our 100 Wood Street branch or (with Special Accounts) at any UK branch of our clearing bank, HSBC Bank plc using a giro credit slip. The money will be added to your balance by the next Business Day following the day on which we receive the cheque or (if we receive it on a day which is not a Business Day) by the second Business Day after the day we receive it (subject to applicable Cut-off Times). When paying in cash or Sterling cheques at any branch of HSBC Bank plc situated in the UK, you must complete the printed bank giro credit slips which we provide you for this purpose, without incurring charges. Paying cheques into your account will always be subject to cheque clearing cycles and the rules of any cheque clearing system(s) used by us. See paragraph B4 below for further details.
    - iii. Electronic payments: we accept inward payments via BACS, CHAPS and SWIFT in accordance with the rules of those systems. We do not accept payments via the “faster payment service” at the current time.
    - iv. Foreign cheques: cheques drawn on banks situated outside the UK or expressed in a foreign currency will be sent for collection at your expense and the paying bank may apply and deduct its own charges; we reserve the right to levy a charge equivalent to our expenses in obtaining cleared funds. An Account will only be credited, net of applicable charges, when we have received payment from the paying bank. The length of time before we are credited depends on the bank or institution on which the cheque is drawn and on local banking practices in the country the cheque is from.
  - v. Currency conversions: if we receive a non-Sterling payment for credit to a client who only has a Sterling account, it is our normal policy to reject and return the payment unless we are able to contact the client and obtain instructions either to convert the payment into Sterling or to open an account in the relevant currency. However, certain non-Sterling payments for smaller amounts or via BACS may be automatically converted by the relevant system in accordance with their rules. We have no control over the exchange rates that may be applied by third parties in the case of such automated conversions.
- b. Payments out of your Account
    - i. Cash: cash withdrawals are not available, either in person or via automated teller machines.
    - ii. Cheques: Sterling chequebooks are available on request with a Special Account. These are intended for low volume usage in amounts greater than £250, and no cheque guarantee card is issued. If more than 25 cheques are used in a 12 month period, a charge may be levied as detailed in our Tariff of Charges for banking services. We may, on request, issue a banker's draft to you, subject to the charges detailed in our Tariff of Charges.
    - iii. Electronic payments: we can make electronic payments by SWIFT transfer in accordance with the rules of that system. We do not make payments via the “faster payment service” at the current time.
    - iv. Direct Debits and Standing Orders: these may be set up in writing, by instructions bearing your original signature, on Special Accounts to make regular payments in Sterling for minimum amounts of £250 each.
    - v. Currency conversions: All payment instructions will be transacted in Sterling unless we specifically agree otherwise. If we receive your instructions to convert funds in one Relevant Currency and pay funds in another Relevant Currency, we will effect the currency conversion at the exchange rate detailed on our website, where applicable, or at the rate provided to you by telephone at the time.
    - vi. Unarranged overdrafts: not available. If you issue instructions by any means for a withdrawal or other payment which would result in your Payment Account becoming overdrawn, or further overdrawn, without prior written agreement, we will reject the request or return the cheque unpaid, where applicable, and apply an unpaid item fee as detailed in the Tariff of Charges for banking services.

- c. Payment Account currencies: Deposit Reserve Accounts are available in euros only unless we specifically agree with you otherwise. Special Accounts and any other Payment Accounts are available in Sterling only unless we specifically agree with you otherwise. We will advise you of the applicable interest rate at the time if we agree to open a Payment Account in a different currency for you.
- g. Our interest rate for Sterling credit balances in Payment Accounts is set daily on each Business Day at 8am calculated at 1.75% below Bank Rate (subject to a maximum of 10% and to the interest change provisions in paragraph D11 below). Any change to Bank Rate will take effect from the following Monday (or next Business Day thereafter). We may change the interest rate we pay you from the rate so calculated, provided it is to your advantage or reflects a change in Bank Rate, with immediate effect and without notice. The minimum interest rate is 0.25%.

#### D9 Interest on Payment Accounts

- a. A minimum credit balance must be maintained on your Account as set out in the Tariff of Charges for banking services.
- b. The interest rate applied to your Payment Account varies and will be established by us from time to time in accordance with the provisions below. You will be notified of the initial rate before, or at the time of, opening an Account. The current interest rates are available from your private banker or by telephoning our Private Accounts Department on 020 7658 3301.
- c. The balance to which the interest rate will apply will be the credit balance on your Account as determined by us, acting fairly and reasonably.
- d. Subject to the specific terms of the Account or as set out in the Tariff of Charges, interest will accrue on a daily basis on the balance of your Account and will normally be credited to your Account on the first Business Day of the next calendar month.
- e. The interest rate applied to your Payment Account is set by reference to the current Bank Rate for Sterling credit balances and the European Central Bank official Refinancing rate (Bloomberg code EURR002W index) for euro credit balances. We will not accept deposits in other Relevant Currencies for Payment Accounts unless we specifically agree otherwise. The generic formula for the calculation of our interest rates on credit balances in Payment Accounts is as follows:  
  
The greater of: (Reference Rate – Spread – Tiered Margin, if any) and the Minimum rate.
- f. Subject to any technical interruptions, we will publish the applicable interest rates for Payment Accounts at [www.schroders.com/privatebank](http://www.schroders.com/privatebank). The actual rate payable on the relevant credit balance (after applicable margin in the case of Deposit Reserve Accounts) will be shown on your monthly statements and is also available by telephoning our Private Accounts Department on 020 7658 3301 during normal UK business hours. We aim to update our website by 9.30am on each Business Day.
- h. Our interest rate for euro credit balances in Payment Accounts is calculated at 1% below the above-referenced European Central Bank rate, subject to the applicable margin as detailed in our Tariff of Charges for banking services. Any change to this independent reference rate will take effect without notice from the following Monday (or next Business day thereafter). The minimum interest rate is 0%.
- i. If we agree to open a Payment Account for you in another Relevant Currency, our interest rates for credit balances in such Account and any other relevant terms and details will be notified to you at the time of opening the Account. Where such interest rate is set by reference to an independent reference rate, any change to this reference rate will take effect without notice from the following Monday (or next Business day thereafter). The minimum interest rate is 0%.
- j. Provided it is to your advantage, we may change the interest rate we pay you from the rate calculated in accordance with the above paragraphs with immediate effect and without notice. Any such enhancement will normally be set on the first Business Day of each week and you agree that it will be notified to you in your next Account statement or shown on our website at [www.schroders.com/privatebank](http://www.schroders.com/privatebank).
- k. As noted in paragraph D8(b)(vi) above, we do not allow overdraft facilities, and unauthorised overdrafts are not permitted under the Agreement. However, if your Account should become overdrawn for any reason, overdraft interest is payable by you at an annual rate of 8% above Bank Rate or such lower rate as our clearing bank charges us or (if the Account is in another Relevant Currency) at an annual rate of 3% above the relevant reference rate as defined above, such interest to accrue on a day to day basis. Any change to this independent reference rate will take effect without notice from the following Monday (or next Business day thereafter). You must immediately pay us the amount by which you are overdrawn and any interest and charges due.

**D10 Exchange Rates for Payment Accounts**

- a. Our exchange rates for currency conversions between Relevant Currencies are based on a reference rate which is our current prevailing rate as fixed by us (normally three times a day) from market price sources, with tiered margins applied. The applicable margin tiers are set out in our Tariff of Charges for banking services.
  - b. The reference exchange rates for Sterling/euro and Sterling/ Swiss francs currency exchange conversions up to £50,000 or currency equivalent are the rates published at [www.schroders.com/privatebank](http://www.schroders.com/privatebank) (subject to any technical interruptions, input errors or communication failures) and are also available by telephoning our Private Accounts Department on 020 7658 3301.
  - c. The reference exchange rate for converting amounts greater than to £50,000 or currency equivalent or for any other currency pair that we offer is the rate available by telephone from our Private Accounts Department on 020 7658 3301.
  - d. We may change our exchange rates immediately and without notice to you where such changes reflect a change in the relevant reference rate or where the change is more favourable to you. We aim to fix the reference rates within our systems at or shortly after 8am, 12 noon and 4pm (UK local time) and to update the above website within 30 minutes (subject to any technical interruptions, input errors or communication failures). Orders received close to these times will be converted (subject to applicable margin) at the current reference rate set in our systems, which will be notified to you verbally at the time even if the website has not yet been updated.
- to reflect changes in the law or a decision by the Financial Ombudsman Service or Office of Fair Trade; or
  - to enable us to meet changed regulatory requirements, including capital and liquidity requirements applicable to banks.
  - Where we notify you of a material change to a rate of interest that is to your disadvantage, the notice will, where applicable, indicate other comparable services for which you may be eligible.
- b. We will give you notice of any change we make to our interest rates or other charges or margins applicable to Payment Accounts as follows:
    - i. if we are changing the interest rates we pay on credit balances in a way that is to your advantage, we will give you notice of the change either before the change comes into effect or in accordance with paragraph B5(j) above;
    - ii. if we are changing the interest rates we pay on credit balances in a way that is to your disadvantage (other than as a result of a change to the relevant independent reference rate) or we are changing any charges in our Tariff of charges, we will notify you personally not less than 60 days before the change comes into effect; or
    - iii. if we change the interest rates we pay on credit balances as a result of a change to the relevant independent reference rate, you agree that the change will take effect immediately without notice.
  - c. We will give you notice of changes to our interest rates, or inform you as soon as possible after any change to our interest rates, by showing the change in your next Account statement or publishing the relevant changes on our website at [www.schroders.com/privatebank](http://www.schroders.com/privatebank).

**D11 Changes to Rates and Charges**

- a. Subject to the notice provisions below, we may change the interest rates which apply to your Payment Account for any of the following reasons:
    - to reflect a change in the relevant independent reference rate;
    - to enable us to respond proportionately to changes in LIBOR (the London Interbank Offered Rate) or in the interest rates paid or charged by our clearing banks to us or by other banks and financial institutions on personal banking accounts;
    - to reflect changes in the costs we reasonably incur in providing your account, including regulatory costs and the costs of the Financial Services Compensation Scheme;
- d. We will give you notice of any change we make to our exchange rates for Relevant Currencies applicable to Payment Accounts as follows:
    - i. if we are changing an exchange rate in a way that is to your advantage, we will give you notice of the change either before the change comes into effect or in accordance with paragraph B5(j) above;
    - ii. if we are changing an exchange rate in a way that is to your disadvantage (other than as a result of a change to the relevant reference rate) we will notify you personally not less than 60 days before the change comes into effect
    - iii. if we change an exchange rate as a result of a change to the relevant reference rate, you agree that the change will take effect immediately without notice.

- e. If we give you notice in relation to your Payment Account of:
  - i. a change in the Terms of the Agreement with you;
  - ii. the introduction of a new charge or a change in the amount of any existing charge; or
  - iii. a reduction in the amount of any existing charge or a change in the terms of our Agreement with you that is to your advantage; or
  - iv. a change in interest rates (other than as a result of a change to the relevant independent reference rate); or
  - v. a change in exchange rates (other than as a result of a change to the relevant reference rate), then for a period of 60 days from the date of our notice, you have the right to switch or close your Payment Account without loss of interest or any additional charges.
- d. In addition to your Account statement, we will provide debit or credit advices for any payment transaction other than direct debits and credits to your Account made by BACS or at HSBC Bank plc (using a giro credit slip) unless otherwise agreed.
- e. For Deposit Reserve Accounts opened in conjunction with the provision of investment services, you may elect for statements and transaction information to be sent to you as part of the regular reporting for that investment service. However, a statement containing the above information is available periodically at least once a month for any Payment Account.
- f. You should check your advices and statements as soon as they are received and let us know promptly in writing if they contain any mistakes.

## D12 Statements and Advices

- a. We will provide you by post, without charge, monthly statements showing all amounts added to or taken from your Payment Account since the previous statement. A statement will not be provided if there were no transactions (other than interest and withholding of tax) in the relevant month. Requests for duplicate copies of statements or for statements transmitted by different means may incur a charge as detailed in our Tariff of Charges for banking services.
- b. Statements will be in English and will include the following information relating to payment transactions, where relevant:
  - i. information identifying the transaction and the payee (where you have made the payment) or the payer (where you are receiving the payment);
  - ii. the payment amount in the currency in which your Account was debited or credited;
  - iii. where you are making the payment, any exchange rates used by us and the amount of the payment after applying the exchange rates;
  - iv. where you are receiving the payment, any exchange rates used by us and the amount of the payment before applying the exchange rates;
  - v. the amount and, where applicable, a breakdown of any charges or interest payable by you; and
  - vi. the value date on which the funds were debited from or credited to your Account.
- c. This information will appear in your statement and may also be made available on request or, where so agreed between us, electronically.
- a. The following provisions apply to any cheque books or banker's drafts drawn on your account:
  - i. In the case of a Special Account, cheques may be written using the cheque book supplied, provided that the cleared balance on the Account is sufficient and the cheque is signed by you. You may not write a future date on a cheque, as we shall treat it as dated on the date we receive it. All paid cheques will be retained by us for at least 6 years (a copy may be provided on request subject to a charge as set out in our Tariff of Charges for banking services). If there are insufficient cleared funds in the Account to meet a cheque that has been drawn, the cheque will be immediately returned to the bank concerned where it was paid in with the comment "Refer to Drawer". A charge will be incurred as set out in the Tariff of Charges for banking services.
  - ii. If you wish to place a "stop" on a cheque that you have written you should telephone us as soon as possible. You must immediately confirm your instructions in writing. It is not possible to "stop" a cheque that has already been paid. A charge will be incurred as set out in the Tariff of Charges for banking services.
  - iii. An uncleared cheque that you have written or banker's draft drawn against funds on your Account will be deemed by us to be out of date six months after the date written on the cheque. Such cheques will not be accepted by us and will be returned to the bank where they were paid in with the comment "Out of date". A charge will be incurred as set out in the Tariff of Charges for banking services.
  - iv. If your cheque book is lost or stolen, you should inform us as soon as possible.

## D13 Cheques

## Part D (Section 3) – Non-payment Account Terms

### D14 Our Non-payment Account Bank Services

The main characteristics of the services we provide in relation to Non-payment Accounts as follows:

- a. Payments into your Account
  - i. Cash: we do not accept physical cash deposits.
  - ii. Cheques: we accept Sterling cheques by post or in person at our 100 Wood Street branch. The money will be added to your balance by the next Business Day following the day on which we receive the cheque or (if we receive it on a day which is not a Business Day) by the second Business Day after the day we receive it (subject to applicable Cut-off Times). Paying cheques into your account will always be subject to cheque clearing cycles and the rules of any cheque clearing system(s) used by us. See paragraph D4 above for further details.
  - iii. Electronic payments: we accept inward payments via BACS, CHAPS and SWIFT in accordance with the rules of those systems. We do not accept payments via the “faster payment service” at the current time.
  - iv. Foreign cheques: cheques drawn on banks situated outside the UK or expressed in a foreign currency will be sent for collection at your expense and the paying bank may apply and deduct its own charges; we reserve the right to levy a charge equivalent to our expenses in obtaining cleared funds. An Account will only be credited, net of applicable charges, when we have received payment from the paying bank. The length of time before we are credited depends on the bank or institution on which the cheque is drawn and on local banking practices in the country the cheque is from.
  - v. Currency conversions: if we receive a non-Sterling payment for credit to a client who only has a Sterling account, it is our normal policy to reject and return the payment unless we are able to contact the client and obtain instructions either to convert the payment into Sterling or to open an account in the relevant currency. However, certain non-Sterling payments for smaller amounts or via BACS may be automatically converted by the relevant system in accordance with their rules or by us in accordance with paragraph D10. We have no control over the exchange rates that may be applied by third parties in the case of such automated conversions.
- b. Payments out of your Account
  - i. Cash: cash withdrawals are not available, either in person or via automated teller machines.
  - ii. Cheques: Sterling chequebooks are not available except with a Special Account.
  - iii. Electronic payments: we can make electronic payments by SWIFT transfer in accordance with the rules of that system to you or, where the payments are in connection with our investment services or on an occasional basis only, to third parties. Should you need to make more regular electronic payments not connected with our investment services, you may be required to open a Payment Account. We do not make payments via the “faster payment service” at the current time.
  - iv. Direct Debits and Standing Orders: these may be set up on Special Accounts only, except that, where the payments are connected with our investment services, these may be established by instructions in writing bearing your original signature.
  - v. Currency conversions: All payment instructions will be transacted in Sterling unless we specifically agree otherwise. If we receive your instructions to convert funds in one Relevant Currency and pay funds in another Relevant Currency, we will effect the currency conversion in accordance with paragraph B5(c) above which, in the case of amounts less than £50,000 being converted between Relevant Currencies, will be converted in accordance with the provisions of D10 above, where applicable.
  - vi. Unarranged overdrafts: not available. If you issue instructions by any means for a withdrawal or other payment which would result in your Account becoming overdrawn, or further overdrawn, without prior written agreement, we will reject the request unpaid, where applicable, and apply an unpaid item fee as detailed in the Tariff of Charges for banking services.
- c. Foreign currency deposits: Investment Deposit Accounts and Call Deposit Accounts may be opened in any of the currencies shown on the Non-Payment Accounts Rate Sheet. Fixed Deposit Accounts can be established in Sterling, US Dollars or Euros, subject to a minimum balance of £100,000, US\$150,000 or €100,000 respectively. Other currency deposit accounts are available on request by agreement with us.
- d. Minimum Account sizes: Different types of Account may require minimum initial deposits. Details of these can be found in the Tariff of Charges for banking services

or on our website and may be varied from time to time in accordance with paragraph D16 below. Should the credit balance on an Account fall below the minimum amount set out in the Tariff of Charges or website, we reserve the right (on giving not less than 30 days' notice) to close the account.

### D15 Interest on non-Payment Accounts

- a. Except in relation to Fixed Deposit Accounts and Structured Deposits, the interest rate applied to your Account varies and will be established by us from time to time in accordance with the provisions below. You will be notified of the initial rate before, or at the time of, opening an Account. The current interest rates are available from your private banker or by telephoning our Private Accounts Department on 020 7658 3301 and will be shown on your regular Account statement.
- b. The balance to which the interest rate will apply will be the credit balance on your Account as determined by us, acting fairly and reasonably.
- c. Subject to the specific terms of the Account or as set out in the Tariff of Charges, interest will accrue on a daily basis on the balance of your Account and will normally be credited to your Account on the first Business Day of the next calendar month.
- d. Except in relation to Fixed Deposit Accounts and Structured Deposits, the interest rate applied to your non-Payment Account is set by reference to the relevant reference rate shown on the Non-Payment Accounts Rate Sheet or on our website. The generic formula for the calculation of our interest rates on credit balances in Accounts is as follows:

The greater of: (Reference Rate – Spread – Tiered Margin, if any) and the Minimum rate.

- e. The actual rate payable on the relevant credit balance (after any applicable margin) will be shown on your Account statements and is also available by telephoning our Private Accounts Department on 020 7658 3301 during normal UK business hours.
- f. Our interest Reference Rate for Sterling credit balances in Investment Deposit Accounts is set at the beginning of each week, in normal market conditions, calculated at 0.25% below the LIBOR 1-week rate (subject to a maximum of 10% and to the interest change provisions in paragraph D16 below). Any change to the LIBOR 1-week rate will take effect from the following Monday (or next Business Day thereafter). We may change the interest rate we pay you from the rate so calculated, provided it is to your advantage or is not material or reflects a change in the LIBOR 1-week rate, with

immediate effect and without notice. The minimum interest rate is 0%.

- g. Our interest rates for credit balances in Investment Deposit Accounts in other currencies and for other interest-bearing Non-payment Accounts is calculated in accordance with the Non-Payment Accounts Rate Sheet. Any change to the relevant independent reference rate will take effect without notice from the following Monday (or next Business Day thereafter). The minimum interest rate is 0%.
- h. Provided it is to your advantage or is not material, we may change the interest rate we pay you from the rate calculated in accordance with the above paragraphs with immediate effect and without notice. Any enhancement or change will normally be set on the first Business Day of each week and you agree that it will be notified to you in your next Account statement or shown on our updated Non-Payment Accounts Rate Sheet or on our website at [www.schroders.com/privatebank](http://www.schroders.com/privatebank).
- i. As noted above, we do not allow overdraft facilities, and unauthorised overdrafts are not permitted under the Agreement. However, if your Account should become overdrawn for any reason, overdraft interest is payable by you at an annual rate of 5% above our cost of borrowing funds for the relevant currency, such interest to accrue on a day to day basis. You must immediately pay us the amount by which you are overdrawn and any interest and charges due.

### D16 Changes to Rates and Charges

- a. Subject to the notice provisions below, we may change the interest rates which apply to your Account (other than a Fixed Deposit or Structured Deposit) for any of the following reasons:
  - to reflect a change in the relevant independent reference rate;
  - to enable us to respond proportionately to changes in LIBOR (the London Interbank Offered Rate) or in the interest rates paid or charged by our clearing banks to us or by other banks and financial institutions on personal banking accounts;
  - to reflect changes in the costs we reasonably incur in providing your account, including regulatory costs and the costs of the Financial Services Compensation Scheme;
  - to reflect changes in the law or a decision by the Financial Ombudsman Service or Office of Fair Trade; or
  - to enable us to meet changed regulatory requirements, including capital and liquidity requirements applicable to banks.

Where we notify you of a material change to a rate of interest or a change that is to your disadvantage, the notice will, where applicable, indicate other comparable services for which you may be eligible.

- b. We will give you notice of any material change we make to our interest rates or other charges or margins applicable as follows:
  - i. if we are changing the interest rates we pay on credit balances in a way that is to your advantage, we will give you notice of the change either before the change comes into effect or in accordance with paragraph D15(i) above;
  - ii. if we are making a material change to the interest rates we pay on credit balances in a way that is to your disadvantage (other than as a result of a change to the relevant independent reference rate) or we are changing any charges in our Tariff of Charges, we will notify you personally not less than 14 days before the change comes into effect; or
  - iii. if we change the interest rates we pay on credit balances as a result of a change to the relevant independent reference rate, you agree that the change will take effect immediately without notice.
- c. We will give you notice of changes to our interest rates, or inform you as soon as possible after any change to our interest rates, by showing the change in your next Account statement or publishing the relevant changes on our website [www.schroders.com/privatebank](http://www.schroders.com/privatebank).
- d. If we give you notice in relation to your Account of:
  - i. a change in the Terms of the Agreement with you;
  - ii. the introduction of a new charge or a change in the amount of any existing charge; or
  - iii. a reduction in the amount of any existing charge or a change in the terms of our Agreement with you that is to your advantage; or
  - iv. a material change in interest rates (other than as a result of a change to the relevant independent reference rate); then for a period of 30 days from the date of our notice, you have the right to switch or close your Account without loss of interest or any additional charges.

Deadline (defined in paragraph (d) below), at the maturity of the deposit, interest will be added to the principal and the new amount will be taken on deposit for a further period of the same duration as the immediately preceding period, or for a period of one month (if the preceding period was greater than one month) or placed on a current Account if that is to your advantage.

- b. The interest rate on a fixed deposit will be determined by us by reference to money market interest rates for the corresponding interest period. The basis for calculation of interest on a structured deposit will be notified to you in writing in advance. However, such notification may contain indicative terms, which are subject to change. Final terms of a structured deposit will be confirmed in the transaction advice which will be provided after the deposit starts. We will use our discretion as to whether the final terms of a structured deposit have changed significantly enough from the indicative terms to warrant communication with you, in order to ensure fairness, prior to the placement of the funds, in which case we will try to contact you.
- c. A confirmation will be mailed to you at the beginning of each fixed deposit or structured deposit period detailing the amount of the deposit, the interest period, the interest rate or basis for calculation and the renewal instructions. We will endeavour to contact you shortly before the maturity of a fixed deposit to remind you of the forthcoming maturity date and your existing instructions, if any, or to obtain your instructions.
- d. If you wish to amend the instructions for the renewal of a maturing fixed deposit we must be in possession of your instructions not later than the Instruction Deadline (defined below).

Instruction Deadline means, with respect to (i) Sterling and US Dollar deposits, 10 a.m. on the maturity date of the deposit and (ii) other currency deposits, 10 a.m. two Business Days prior to the maturity date.

- e. You may request a variation of the terms of a fixed deposit or the early redemption of a structured deposit prior to its maturity date. We will consider any such request, but are not obliged to change the contractual terms of any deposit, even in the event of your death or changes in tax or other legislation. However, if we agree to a variation or early redemption, you will incur charges determined by us and these will vary depending on market conditions at that time. We will advise you of the charge at the time of any requested variation to the terms. In the case of a personal fixed deposit, if the terms of a fixed deposit are varied we will be obliged to deduct tax from interest paid in relation to the period from the start of the fixed deposit to the date it is varied.

#### **D17 Fixed Deposits and Structured Deposits**

- a. The period of a fixed deposit or structured deposit is established at the start of each deposit and will, subject to our agreement and these Terms, be determined by you. The maturity date of the deposit must be a Business Day. Unless you instruct us to the contrary by the Instruction

- f. Where we agree to break a fixed deposit or structured deposit before its maturity (which we may decline to allow at our discretion, or which may be prohibited by statute in certain circumstances), we will charge you (i) an amount equal to the difference in interest payable on the deposit and the interest payable on our capital accounts for the whole period of the term of the deposit and (ii) the cost of unwinding any underlying financial instruments at their market value, subject to market conditions at the time. You may get back less than you originally deposited if you break a structured deposit early. Your attention is drawn to the risk warnings relating to structured deposits set out at paragraph B8 above.
- g. Any funds paid to you at the maturity of a fixed deposit, or at any other time, will be paid in the currency of the fixed deposit. Your payment will be made to your Nominated Account or, at your request, to an account held by you at a Schroders Group company or elsewhere and it will normally be made electronically to arrive on the date of payment.
- d. In addition to your Account statement, we will provide debit or credit advices for any payment transaction other than direct debits and credits to your Account made by BACS unless otherwise agreed.
- e. For Accounts opened in conjunction with the provision of investment services, you may elect for statements and transaction information to be sent to you as part of the regular reporting for that investment service. However, a statement of your bank Account is available as regularly as is appropriate for the type of banking service provided (maximum frequency is monthly).
- f. You should check your advices and statements as soon as they are received and let us know promptly in writing if they contain any mistakes.

### D18 Statements and Advices

- a. We will provide or make available to you, without charge, regular statements showing all movements on your Account since the previous statement. A statement will not be provided in respect of Fixed Deposits or Structured Deposits. Requests for duplicate copies of statements or for statements transmitted by means other than post or our standard electronic means may incur a charge as detailed in our Tariff of Charges for banking services. You may elect not receive statements for your bank Account unless it is operated in conjunction with the provision of investment services.
- b. Statements will be in English and will include, where relevant:
  - i. Details of all transactions on the Account during the relevant period;
  - ii. any exchange rates used and the amount of any payment after applying the exchange rate;
  - iii. the interest rate(s) applicable to the credit balances in your Account;
  - iv. the amount and, where applicable, a breakdown of any charges or interest payable by you; and
  - v. the value date on which funds were debited from or credited to your Account.
- c. This information will appear in your statement and may also be made available on request or, where so agreed between us, electronically.

## Appendix 1 – Our Complaints Procedure

### What should you do if you have a complaint?

For your protection, we have complaint handling procedures in place to ensure that all complaints are handled fairly and promptly. If you have a complaint against us you should make the complaint directly to us, either by writing, telephoning, faxing or e-mailing. A complaint form is not needed, but all relevant details should be set out clearly. All complaints should be addressed to your Private Banker, the Managing Director or the Complaints Officer.

### What happens next?

#### 1. Upon receipt of a complaint

The complaint will be reported to the Complaints Officer and any relevant member of the management. It will then be recorded on our internal system and allocated an individual reference number.

#### 2. Holding letter

We will endeavour to acknowledge any complaint in writing within 5 working days. This will confirm to you that the complaint has been received and is being dealt with, and advise you of when we expect to respond.

#### 3. Investigation of complaints

The Complaints Officer or other member of the management will look into the complaint to ensure that it is handled fairly, effectively and promptly.

#### 4. Response

We endeavour to provide a full response within 4 weeks of receiving the complaint, investigating each complaint fully and, hopefully, to your satisfaction. It is for this reason that we request that you do not chase your complaint, unless you have not had a reply by the end of this period.

#### 5. Final response

A full or final response should be provided within 8 weeks after the initial complaint was received.

If we are still not in a position to make a full or final response, you will be notified of the reasons for this delay along with an indication of when we expect to be able to provide a concluding answer.

Where we send you a full written response which informs you how to pursue the complaint further with us if you remain dissatisfied and refers to the ultimate availability of the Financial Ombudsman Service, we will regard the complaint as closed if we do not receive a reply within eight weeks of your receipt of the response. Where we send you a final response enclosing a copy of the Financial

Ombudsman Service explanatory leaflet, we will treat your complaint as closed if we do not hear back from you within 6 months, and after such period the complaint will not be eligible to be referred to the Financial Ombudsman Service save in exceptional circumstances.

### What if you are not satisfied with the response?

Every effort will be made to resolve a complaint. However, if you are an Eligible Complainant (see below) and you are not satisfied with the response given, you are entitled to refer the complaint to the Financial Ombudsman Service (FOS). This is an independent organisation set up under the FSMA to help resolve individual disputes between consumers and financial services firms. If this is the route you wish to take, the complaint should be addressed to: Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR.

You can also contact the FOS by telephone on 0845 080 1800, or by e-mail at [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk).

### Who is an Eligible Complainant?

You are classed as an Eligible Complainant if you are a retail client and:

1. a private individual; or
2. a business, which has a group annual turnover of less than £1million; or
3. a charity which has an annual income of less than £1million; or
4. a trustee of a trust which has a net asset value of less than £1million;

The Financial Ombudsman Service may dismiss a complaint without considering its merits if it is satisfied that the complainant has not suffered, or is unlikely to suffer, financial loss, material distress or material inconvenience, or for other reasons as described in the FSA Rules.

If you have any queries regarding these procedures, please write to the Complaints Officer, Schroder & Co. Limited, 100 Wood Street, London EC2V 7ER, or e-mail [complaints-department@schroders.com](mailto:complaints-department@schroders.com).

## Appendix 2 – Information about our Execution Policy

This Appendix provides our clients with information about our Execution Policy in accordance with paragraph B5 of these Terms with which it should be read in conjunction.

### (a) Purpose

Schroder & Co. Limited is required to put in place an order Execution Policy and to take all reasonable steps to obtain the best possible result on behalf of its Clients when Executing Orders in relation to financial instruments, as defined below. We are also required to provide appropriate information to our Clients about our order Execution Policy.

This document is intended to provide Clients with information on our Execution Policy in order that they can give their informed consent to such policy.

### (b) Scope

Our order execution policy applies where we Execute Orders on your behalf as agent or as principal. We will Execute Orders on your behalf where you legitimately rely on us to protect your interests in relation to the pricing or other aspects of a transaction that may be affected by how we execute the order. When we are not executing your orders ourselves, but are merely transmitting them to an approved third party for execution, we will act at all times in your best interests and take all reasonable steps to obtain the best possible result for you.

### (c) Order Execution

Subject to any specific instruction that may be given by you (see section (i) below), when Executing Orders on your behalf in relation to financial instruments<sup>1</sup>, we will take all reasonable steps to achieve what is called “best execution” of your orders. This means that we will have in place a policy and procedures which are designed to obtain, on a consistent basis, the best possible execution result, subject to and taking into account the execution factors (as defined below).

We may either execute orders directly or use other Schroders Group entities to act as our agent to execute orders on our behalf. However, we remain accountable to Clients for ensuring Best Execution of their orders.

<sup>1</sup> Financial instruments include: (i) transferable securities; (ii) money-market instruments, (iii) units in collective investment undertakings; (iv) various options, futures, swaps, forward rate agreements and any other derivative contracts relating to securities, currencies, interest rates or yields or other derivatives instruments, financial indices, financial measures or commodities; (v) derivative instruments for the transfer of credit risk; and (iv) financial contracts for differences. It does not include spot transactions or loans and certain exclusions apply to commodities.

Under the FSA Rules, we must be able to demonstrate that we execute orders in accordance with our Execution Policy, but this does not necessarily mean that we will obtain the best possible price for every trade. Our commitment to provide you with Best Execution does not mean that we owe you any fiduciary responsibilities over and above the specific regulatory obligations placed upon us or as may be otherwise contracted between us.

### (d) Execution Factors

We will take into consideration a range of different execution factors which include not just price, but which may also include such other factors as the cost of the transaction, the need for speed in the execution, the liquidity of the market (which may make it difficult to even execute an order), the likelihood of execution and settlement, the size and nature of the order and the nature of the financial transaction including whether it is executed on a Regulated Market or over-the-counter (“OTC”).

### (e) Execution Criteria

We will also take into account, in assessing the relative importance of the above execution factors, the following execution criteria:

- Your client categorisation. The client categorisation we give to you (for example, “retail client”) may have an impact on how we execute orders. When we execute orders on behalf of our retail clients, we determine the best possible result in terms of the total consideration, representing the price of the financial instrument and the costs related to execution, including all expenses incurred by the Client which are directly related to the execution of the order, including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order. However, in certain circumstances, for some orders, financial instruments or execution venues, or for professional clients, we may decide that other execution factors listed above in section may be more important than price and costs in determining the best possible result.
- Your order. The way in which we receive an order does vary. For example, the order may be the result of our discretionary or advisory investment management or it may result from our execution only business. Where an order (or a number of aggregated orders) is significant relative to normal market size for the financial instrument in question, greater importance is likely to be given to the potential market impact and other implicit transaction costs in delivering the best possible result.

- The characteristics of the financial instrument. The different circumstances associated with the execution of orders related to particular types of financial instruments will be taken into account. See paragraph B5(b) for more detail.
- The execution venues to which the order can be directed. Please refer to section F below for more detail.

#### (f) Execution Venues

A list of the execution venues used by us or our Schroders Group companies (except for Clients who have appointed an Outside Custodian) in respect of each class of financial instruments is set out below. This list of execution venues is not exhaustive, but does show those execution venues on which we place significant reliance. The reference to “leading brokers” is explained more fully below.

Type of financial instrument	Execution venue
Equities	SIX Swiss Exchange
	Leading brokers (either dealing through an exchange, a regulated market or multilateral trading facility (“MTF”) <sup>2</sup> or directly as counterparty)
Fixed income	Leading brokers (either dealing through an exchange, a regulated market or MTF or directly as counterparty)
Units/shares in funds	The relevant fund administrator
	UBS Fondcentre
Exchange traded derivatives	The relevant exchange (e.g. LIFFE, EUREX)
	Leading brokers (either dealing through an exchange, a regulated market or MTF or directly as counterparty)
Structured Products	Schroder & Co. Limited where the Structured Product is issued by us
	Investment banks with approved credit ratings where the Structured Product is not issued by us
OTC derivatives	Schroder & Co. Limited

This list will be kept under review and updated in accordance with our Execution Policy, as described in paragraph B5(a) of our Terms. We reserve the right to use other execution venues additional to those listed above where we consider it appropriate in accordance with our Execution Policy and likewise to remove any venues from the list.

<sup>2</sup> MTF means a multilateral trading system, operated by an investment firm or a market operator, which brings together multiple third-party buying and selling interests in financial instruments in the system and in accordance with nondiscretionary rules, in a way that results in a contract in accordance with the FSA Rules.

A leading broker is a broker or investment bank with which we (or through one of our Schroders Group companies) regularly Execute Orders. Where we believe it achieves the best possible execution results for clients on a consistent basis, we consolidate our equity dealing for a geographic region with a single broker, subject to the ongoing monitoring of execution quality and periodic review of alternative execution venues. The following table lists the leading brokers in alphabetical order. However, please note that this is not a definitive list and that additions and deletions may occur from time to time.

We are under no obligation to notify you of changes to this list.

- |                     |                           |
|---------------------|---------------------------|
| – Barclays          | – Pictet                  |
| – BOA/Merrill Lynch | – Royal Bank of Canada    |
| – Credit Suisse     | – Royal Bank of Scotland  |
| – Deutsche Bank     | – Societe General         |
| – Dresdner Bank     | – Toronto Dominion Bank   |
| – HSBC              | – Standard Chartered Bank |
| – JP Morgan         | – State Street            |
| – MacQuarie         | – UBS                     |
| – Morgan Stanley    |                           |

#### (g) Selecting An Execution Venue

We carefully select the leading brokers with whom to execute transactions. Brokers are selected exclusively according to the quality of trade execution and their credit standing. It is our policy that third party brokerage costs incurred on behalf of Clients who have not appointed an Outside Custodian will relate solely to the execution of trades and will not include costs for the provision of investment research or other services.

In some cases the Best Execution obligation technically applies but, because of the nature of the order, the obligation has limited scope and is in effect satisfied.

These are as follows:

- Single venue transactions – where the nature of the transaction results in there only being one execution venue and therefore the only pricing consideration is in the time of execution. This therefore precludes the use of comparable prices.
- Highly structured transactions – the Best Execution obligation applies only in a very limited form to highly structured off-exchange transactions where it is not possible to provide any comparisons with other transactions or instruments. Different considerations apply where the transaction involves a customised OTC financial instrument tailored to your circumstances. Although Best Execution technically applies there is little or nothing against which to compare the transaction.

**(h) Off Exchange Trading**

Where we reasonably believe that such course of action is in your best interest and is in accordance with our Execution Policy, we may (subject to having obtained your prior express consent) deal with or for you in circumstances in which the relevant transaction is executed outside a Regulated Market or MTF, or is otherwise not regulated by the rules of any stock exchange or investment exchange. When we deal with leading brokers that act as principal in a transaction, off exchange trading is likely to occur; for example, fixed income products are likely to be executed OTC in this manner.

**(i) Specific Client Instructions**

Where you give us a specific instruction as to the execution of an order, we will execute the order in accordance with those specific instructions, subject to the FSA Rules. Where your instructions relate to only part of the order, we will continue to apply our Execution Policy to those aspects of the order not covered by your specific instructions. You should be aware that providing specific instructions to us about the manner of execution may prevent us taking the steps we have designed and implemented in our Execution Policy to obtain the best possible execution result in respect of the elements covered by your instructions.

In the absence of express instructions from you, we will exercise our own commercial judgment and experience in the light of market information available, using the above criteria, to determine the factors that we need to take into account for the purpose of providing you with Best Execution and the relative importance of those factors.

## Appendix 3 – Derivatives and Warrants risk warning

We will not effect transactions in Warrants or Derivatives unless specifically agreed in the Investment Mandate or otherwise with you.

This notice is provided to retail clients, in accordance with paragraph B7(a) of our Terms and in compliance with the FSA Rules. This notice cannot disclose all the risks and other significant aspects of warrants and/or derivative products such as futures, options, and contracts for differences. You should not deal in these products unless you understand their nature and the extent of your exposure to risk. You should also be satisfied that the product is suitable for you in the light of your circumstances and financial position. Certain strategies, such as a 'spread' position or a 'straddle', may be as risky as a simple 'long' or 'short' position.

Although warrants and/or derivative instruments can be utilised for the management of investment risk, some of these products are unsuitable for many investors. Different instruments involve different levels of exposure to risk and in deciding whether to trade in such instruments you should be aware of the following points.

### 1. Warrants

A warrant is a time-limited right to subscribe for shares, debentures, loan stock or government securities and is exercisable against the original issuer of the underlying securities. A relatively small movement in the price of the underlying security results in a disproportionately large movement, unfavourable or favourable, in the price of the warrant. The prices of warrants can therefore be volatile.

It is essential for anyone who is considering purchasing warrants to understand that the right to subscribe which a warrant confers is invariably limited in time with the consequence that if the investor fails to exercise this right within the predetermined time-scale then the investment becomes worthless.

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.

### 2. Off-exchange warrant transactions

Transactions in off-exchange warrants may involve greater risk than dealing in exchange traded warrants because there is no exchange market through which to liquidate your position, or to assess the value of the warrant or the exposure to risk. Bid and offer prices need not be quoted,

and even where they are, they will be established by dealers in these instruments and consequently it may be difficult to establish what is a fair price.

Your firm must make it clear to you if you are entering into an off-exchange transaction and advise you of any risks involved.

### 3. Securitised Derivatives

These instruments may give you an absolute right to acquire or sell one or more types of investment which is normally exercisable against someone other than the issuer of that instrument. Or they may give you rights under a contract for differences which allow for speculation on fluctuations in the value of the property of any description or an index, such as the FTSE 100 index. In both cases, the investment or property may be referred to as the "underlying instrument".

These instruments often involve a high degree of gearing or leverage, so that a relatively small movement in the price of the underlying investment results in a much larger movement, unfavourable or favourable, in the price of the instrument. The price of these instruments can therefore be volatile.

These instruments have a limited life, and may (unless there is some form of guaranteed return to the amount you are investing in the product) expire worthless if the underlying instrument does not perform as expected.

You should only buy this product if you are prepared to sustain a substantial loss of the money you have invested plus any commission or other transaction charges.

You should consider carefully whether or not this product is suitable for you in light of your circumstances and financial position, and if in any doubt please seek professional advice.

### 4. Futures

Transactions in futures 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 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 transactions have a contingent liability, and you should be aware of the implications of this, in particular the margining requirements, which are set out in paragraph 9 of this Appendix.

### 5. Options

There are many different types of options with different characteristics subject to the following conditions.

#### 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 will 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 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 (when the options will be known as 'covered call options') the risk is reduced. If you do not own the underlying asset ('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.

### 6. Contracts for differences

Futures and options contracts can also be referred to as contracts for differences. These can be options and futures on the FTSE 100 index or any other index, as well as currency and interest rate swaps. However, unlike other futures and

options, 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 and you should be aware of these as set out in paragraphs 4 and 5 respectively. Transactions in contracts for differences may also have a contingent liability and you should be aware of the implications of this as set out in paragraph 9 of this Appendix.

### 7. Off-exchange transactions in derivatives

It may not always be apparent whether or not a particular derivative is arranged on exchange or in an off-exchange derivative transaction. Your firm must make it clear to you if you are entering into an off-exchange derivative transaction.

While some off-exchange markets are highly liquid, transactions in off-exchange or 'non transferable' derivatives may involve greater risk than investing in on-exchange derivatives because there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of the position arising from an off-exchange transaction or to assess the exposure to risk. Bid prices and offer prices need not be quoted, and, even where they are, they will be established by dealers in these instruments and consequently it may be difficult to establish what is a fair price.

### 8. Foreign markets

Foreign markets will involve different risks from the UK markets. In some cases the risks will be greater. On request, your firm must provide an explanation of the relevant risks and protections (if any) which will operate in any foreign markets, including the extent to which it will accept liability for any default of a foreign firm through whom it deals. The potential for profit or loss from transactions on foreign markets or in foreign denominated contracts will be affected by fluctuations in foreign exchange rates.

### 9. Contingent liability investment transactions

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 will 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.

Save as specifically provided by the FSA, your firm may only carry out margined or contingent liability transactions with or for you if they are traded on or under the rules of a recognised or designated investment exchange. Contingent liability investment transactions which are not so traded may expose you to substantially greater risks.

### 10. Limited liability transactions

Before entering into a limited liability transaction, you should obtain from your firm or the firm with whom you are dealing 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.

### 11. Collateral

If you deposit collateral as security with your firm, the way in which it will be treated will vary according to 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 recognised or designated investment exchange, with the rules of that exchange (and the associated clearing house) applying, or trading off-exchange. Deposited collateral may lose its identity as your property once dealings on your behalf are undertaken. Even if your dealings should ultimately prove profitable, you may not get back the same assets which you deposited, and may have to accept payment in cash. You should ascertain from your firm how your collateral will be dealt with.

### 12. Commissions

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 money 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.

### 13. Suspensions of trading

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.

### 14. Clearing house protections

On many exchanges, the performance of a transaction by your firm (or third party with whom he is dealing on your behalf) is 'guaranteed' by the exchange or clearing house. However, this guarantee is unlikely in most circumstances to cover you, the customer, and may not protect you if your firm or another party defaults on its obligations to you. On request, your firm must explain and any protection provided to you under the clearing guarantee applicable to any on-exchange derivatives in which you are dealing. There is no clearing house for traditional options, nor normally for off-exchange instruments which are not traded under the rules of a recognised or designated investment exchange.

### 15. Insolvency

Your firm's insolvency or default, or that of any other brokers involved with your transaction, may lead to positions being liquidated or closed out without your consent. In certain circumstances, you may not get back the actual assets which you lodged as collateral and you may have to accept any available payments in cash. On request, your firm must provide an explanation of the extent to which it will accept liability for any insolvency of, or default by, other firms involved with your transactions.

## CAYMAN ISLANDS

Schroder Cayman Bank  
and Trust  
Company Limited  
P.O. Box 1040 GT  
2nd Floor, Harbour Centre Grand  
Cayman British West Indies  
Tel: +1 345 949 2849  
Fax: +1 345 949 5409  
E-mail: rory.healy@ky.schroders.com  
www.schroders.com/ky

## CHANNEL ISLANDS

Schroders (C.I.) Limited  
PO BOX 334  
Regency Court  
Glatigny Esplanade  
St Peter Port  
Guernsey GY1 3UF  
Channel Islands  
Tel: +44 (0) 1481 703700  
Fax: +44 (0) 1481 703600  
E-mail: scil@schroders.com  
www.schroders.com/ci

Schroders (C.I.) Limited  
P.O. Box 490  
2-6 Church Street  
St Helier  
Jersey JE4 9WB  
Channel Islands  
Tel: +44 (0) 1534 756600  
Fax: +44 (0) 1534 756601  
E-mail: scil@schroders.com  
www.schroders.com/ci

## GERMANY

Schroder & Co. Limited Frankfurt  
Branch  
Mainzer Landstr. 16  
60325 Frankfurt am Main Germany  
Tel: +49 (0) 69 975717-5  
Fax: +49 (0) 69 975717-300  
E-mail: privatkunden@schroders.com  
www.schroders.com/privatebank

## GIBRALTAR

Schroders (C.I.) Limited  
P.O. Box 1239  
24 College Lane  
Gibraltar  
Tel: +350 77760  
Fax: +350 77742  
E-mail: michael.cuby@schroders.com  
www.schrodersprivatebank.com/cITALY

## ITALY

Schroders Italy SIM S.p.A.  
Via Della Spiga 30  
20121 Milano  
Tel: +39 (0) 2 763 771  
Fax: +39 (0) 2 763 77300  
E-mail: giuseppe.marsi@net.schroders.com  
www.schroders.it

Schroders Italy SIM S.p.A.  
Via del Babuino 169  
00187 Rome  
Italy  
Tel: +39 (0) 6 3218 368  
Fax: +39 (0) 6 3265 2660  
E-mail: giuseppe.cornetto@schroders.com  
www.schroders.it

Schroders Italy SIM S.p.A.  
Piazzetta Bettiol 15  
35137 Padua  
Italy  
Tel: +39 (0) 49 876 5776  
Fax: +39 (0) 49 876 5780  
E-mail: corrado.prandi@schroders.com  
www.schroders.it

## SINGAPORE

Schroder & Co. (Asia) Limited  
11 Beach Road, #06-01  
Singapore 189675  
Tel: +65 (0) 6507 0123  
Fax: +65 (0) 6507 0122  
E-mail: singaporeprivateclients@schroders.com

## SPAIN

Schroder & Co. Bank A.G.  
Sucursal en España  
Calle Pinar 7, 4º  
28006 Madrid, Spain  
Tel: +34 (0) 91 590 0505  
Fax: +34 (0) 91 563 0576  
E-mail: juan.fontan@schroders.com  
www.schroders.com/privatebank

## SWITZERLAND

Schroder & Co. Bank A.G.  
Central 2, Postfach 1820  
8021 Zurich  
Switzerland  
Tel: +41 (0) 1 2501111  
Fax: +41 (0) 1 2501312  
E-mail: contact@schroders.ch  
www.schroders.com/switzerlanden

Schroder & Co. Banque S.A.  
8 Rue D'Italie  
PO Box 3655  
1211 Geneva  
Switzerland  
Tel: +41 (0) 22 3102626  
Fax: +41 (0) 22 3117044  
E-mail: contact@schroders.ch  
www.schroders.com/switzerlanden

## UK

Schroder & Co. Limited  
100 Wood Street  
London EC2V 7ER  
United Kingdom  
Tel: +44 (0) 20 7658 6000  
Fax: +44 (0) 20 7658 3827  
E-mail: privateclients@schroders.com  
www.schroders.com/privatebank

Schroder & Co. Limited  
6th Floor  
3 Brindley place  
Birmingham B1 2JB  
United Kingdom  
Tel: +44 (0) 121 698 8549  
Fax: +44 (0) 121 698 8600  
E-mail: privateclients@schroders.com  
www.schroders.com/privatebank

Schroders Charities  
100 Wood Street  
London EC2V 7ER  
United Kingdom  
Tel: +44 (0) 20 7658 6000  
Fax: +44 (0) 20 7658 3827  
E-mail: giles.neville@schroders.com  
www.schroderscharities.co.uk

Issued in May 2010 by Schroder & Co. Limited  
100 Wood Street, London EC2V 7ER, United Kingdom  
Tel: +44 (0) 20 7658 6000  
Fax: +44 (0) 20 7658 3827  
E-mail: privateclients@schroders.com  
www.schroders.com/privatebank



**Schroders**  
Private Banking