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**TERMS AND CONDITIONS FOR ADVISORY AND EXECUTION ONLY SERVICES**

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**DATE: APRIL 2021**

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## FBN BANK UK TERMS AND CONDITIONS FOR ADVISORY AND EXECUTION ONLY SERVICES – APRIL 2021

### 1. GENERAL INFORMATION

- 1.1 These terms and conditions including the Schedules (the “**Terms**”) set out the basis upon which we agree to provide our advisory and execution-only services to you. These Terms will come into force and be legally binding once we have confirmed we are prepared to provide the services described in these Terms, either expressly, or by commencing such services, whichever is earliest (the “**Effective Date**”). We reserve the right to reject your application in whole or in part without providing any reason. These Terms will remain in force until terminated in accordance with **clause 18**. In the event of any conflict between a provision of these Terms and any other documentation you receive from us, these Terms will prevail.
- 1.2 Your agreement with us (your “**Agreement**”) is contained in:
- 1.2.1 these Terms;
  - 1.2.2 the Initial Agreement Document;
  - 1.2.3 any additional terms in respect of a product or service that we may agree between us, including the Terms and Conditions for Personal/ Joint Accounts and SPV/ Small Business Accounts (the “**Account Terms**”); and
  - 1.2.4 the application form or forms you have signed.
- 1.3 FBN Bank (UK) Limited (“**FBN**”) is authorised and regulated by the FCA for conducting investment business in the UK, including advising on investments (Firm Reference Number 216772). You can check this by visiting the FCA’s website at <https://register.fca.org.uk> or by contacting the FCA on 0800 111 6768. The FCA’s address is 12 Endeavour Square, London, E20 1JN. FBN’s registered office is 28 Finsbury Circus, Salisbury House, London, EC2M 7DT (registered company number 4459383).
- 1.4 Unless we notify you in writing to the contrary, we will treat you as a retail client for regulatory purposes in relation to the services we provide to you under these Terms. This means that you are afforded the highest level of protection under the regulatory system and may have the right to take any complaint to the FOS. If you do not wish to be treated as a retail client, then you may request to be treated as a professional client, but we reserve the right to decline your request. Please be aware that if we agree to change your categorisation, some of the current protections afforded as a retail client would be lost. We will discuss this in greater detail with you should you wish to make an application to change your status. For more information, please get in touch with your FBN contact using the following details: [privatebanking@fbnbank.co.uk](mailto:privatebanking@fbnbank.co.uk).
- 1.5 These Terms will bind you as a principal. Accordingly, you will be acting as principal and for your own account in respect of all transactions contemplated under these Terms and will be liable as principal for all obligations under these Terms.
- 1.6 If you have entered into these Terms with other persons, you agree that:
- 1.6.1 your obligations under these Terms are joint and several;
  - 1.6.2 we may accept instructions according to your signing mandate;
  - 1.6.3 any report or notice which we are required to provide under these Terms or applicable law will be sent according to your account mandate;

- 1.6.4 each of you accepts that we may disclose/ share your personal data with each of you; and
- 1.6.5 upon the death of one or more of you, the investment portfolio will be held by the survivor(s) and we may, at our sole discretion, continue to provide our services in relation to the investment portfolio in accordance with these Terms.
- 1.7 We will not carry out clearing, settlement or custody services for you but will appoint a third party (the “**Custodian**”) on your behalf to provide these services in respect of your portfolio. We have entered into an agreement with the Custodian, as your agent, for the Custodian to provide clearing, settlement, custody and associated services to you. You therefore have a direct relationship with the Custodian for the custody of your investments, which is governed by the terms provided to you at Schedule 2 to these Terms. It is important that you read the separate terms at Schedule 2 as they are legally binding on you and create direct contractual rights and obligations between the Custodian and you.
- 1.8 You agree that we have the right to arrange for your investments and money to be transferred to and held by an alternative Custodian that we may appoint. We will act in good faith in the selection of any such alternative Custodian and satisfy ourselves that the person is competent to carry out its functions and responsibilities. We will give you at least thirty (30) days’ notice of any change in the Custodian and the custody terms that will apply, unless the change is made to reflect a change of applicable law or regulation or is in your favour in which case it may take effect immediately or otherwise as we may specify.
- 1.9 Your attention is drawn to the Risk Disclosure Statement attached to these Terms at Schedule 3, which contains important information on the risks associated with the investment service provided by FBN. You confirm that you have read and understood the Risk Disclosure Statement.
- 1.10 We do not provide tax or legal advice. You remain responsible for the management of your tax and legal affairs, including making any applicable filings or payments and complying with any applicable law. You should not rely on any information provided by FBN as a substitute for taking your own tax or legal advice. Subject to any specific requirements notified by you, FBN will have no responsibility to take into account your tax status in providing any service under these Terms. FBN is under no obligation to report to you on the tax consequences of buying or selling investments.
- 1.11 When we provide our service to you, we may also make available to you Investment Information. Investment Information is prepared for the benefit of all our clients and is not based on a consideration of your particular circumstances. You must not treat any Investment Information as a recommendation or advice given to you.
- 1.12 You may have a right to cancel these Terms within fourteen (14) days of the Effective Date. If you would like to cancel these Terms, please write to the Private Banking team using the contact details provided at **clause 7**. If you exercise your right to cancel properly, we will cease the provision of our services to you under these Terms, but such cancellation will not affect those services that have already been provided or are in the course of being provided and you will be liable for any fees and charges incurred as further described in **clause 19**. You acknowledge that you may suffer market losses in respect of your investments between the Effective Date and the date we receive your written cancellation notice and that such losses will be borne by you and not us. If you do not cancel these Terms in accordance with the provisions of this **clause 1.12**, these Terms will continue until terminated in accordance with **clause 18**.

1.13 In these Terms “**you**” and “**your**” includes all joint account holders and any person you authorise to give instructions in relation to your account(s) in accordance with the Terms. “**We**”, “**us**”, “**our**” and “**FBN**” means FBN Bank (UK) Limited and includes our successors and assigns. Any references to “business days” shall mean any day on which banks in the United Kingdom are generally open for business, other than weekends and local bank holidays.

## **2. GENERAL RISKS OF INVESTMENT ACTIVITY**

2.1 You should note that there are significant risks inherent in investing in certain financial instruments and in certain markets. It is important that you are aware of and understand the nature of these risks. We set out below some general risk warnings. However, we have also provided a Risk Disclosure Statement at Schedule 3 with further information on the risks involved in relation to types of investments and strategies which may be relevant to the services we provide to you under these Terms. Please read the Risk Disclosure Statement at Schedule 3 carefully and if you have any questions please contact the Private Banking team using the contact details provided at **clause 7** for an explanation.

2.2 Please note that:

2.2.1 The market information relating to the past performance of an investment is not an indicator of future performance.

2.2.2 The value of investments or income from them may go down as well as up.

2.2.3 You are not certain to make a profit and may make a loss.

2.2.4 You may lose your entire investment.

2.2.5 The price or value of investments may fluctuate significantly due to the volatility of world markets, interest rates and capital values or, for investments held in overseas markets, changes in the rate of exchange in the currency in which the investments are denominated.

2.3 In addition, the Risk Disclosure Statement includes a risk warning advising you that should we be requested to provide execution-only services to you in relation to non-complex instruments, we are not required to assess the merits, suitability and/or appropriateness of the instrument or the service provided or offered to you.

2.4 Whilst we have implemented robust systems and controls to mitigate the potential of client detriment and investment loss, we cannot accurately predict investment performance and are unable to make any guarantees regarding the future performance of any investment recommended to you as part of the services we provide to you under these Terms.

## **3. ADVISORY SERVICE**

3.1 We will provide advisory services in relation to investments, principally funds, and such other services as we may determine from time to time. By this we mean that we will advise you, at your request, on investments (that do not form part of any portfolio which is managed for you as a discretionary client) and on the merits of entering into any transaction and assess its suitability for you. Such advice may be on an initial only or on an initial and ongoing basis. For the purpose of these Terms, “investments” may include any financial instrument as defined by the FCA Rules.

3.2 Our advice is classed as “restricted advice” under the FCA Rules because we offer it only on a range of product types and providers, rather than all product types and providers. In particular, we do not offer a full financial planning service and focus solely on lump sum investments in

portfolios of selected funds from selected fund managers. The information on the product type and providers in respect of which we will advise is available via our website.

- 3.3 When we advise you, we will rely on the information provided by you in the completed confidential Client Investment Profiler form setting out your financial circumstances, investment objectives, risk profile, tax status and other personal circumstances that may be relevant to your selection of the services provided under these Terms. You agree that information provided by you in the Client Investment Profiler form or otherwise notified by you is complete and accurate and fully reflects your investment objectives and requirements. In order to provide the services under these Terms, it is important that we are made aware of any changes to your personal circumstances as this may affect how we aim to achieve your investment objectives. You agree to notify us immediately in writing of any change to the information you have provided to us which may be relevant to our performance of the services under these Terms. Any such change will become effective once we have confirmed receipt of your written notice (either explicitly or by us acting in line with the instructed change) and will not affect any outstanding order or transaction or any rights or obligations which may have already arisen.
- 3.4 Based on information provided by you and documented in the Client Investment Profiler form, in providing the advisory service, we will be responsible for assessing the suitability of investments for you as required by the FCA Rules. In particular, we will assess the suitability of each recommendation that we give in relation to financial instruments and/ or investment services, including any recommendation whether or not to buy, hold or sell an investment. We will provide you with a written suitability report describing the outcome of our assessment before we assist you in implementing a recommendation. Recommendations to sell, in respect of part-liquidations, will be provided to you via email.
- 3.5 You should be aware that when we consider the suitability of investments for you, our advice is restricted to considering whether we reasonably believe that your stated investment objective can be achieved from the range of investments in respect of which we advise. This is not comprehensive financial planning advice and you should not rely on our advisory service for comprehensive financial planning advice as we do not have access to whole of market.
- 3.6 The decision to implement, or not to implement, a recommendation will be exclusively yours. This means that it will be your responsibility to decide whether or not you wish to follow the recommendation in relation to a particular investment product, transaction or the use of a particular service. You agree and acknowledge that any investment product or service that you take out in implementing a recommendation may be subject to separate terms and conditions whether or not such investment product or service will be provided by a third party.
- 3.7 Where you decide to follow a recommendation, you may instruct us to arrange transactions for you. We will use reasonable endeavours to carry out those instructions, subject to our legal and regulatory obligations. Where you delay instructing us in respect of a recommendation, we may decline to follow your instruction if we reasonably believe that the recommendation is no longer suitable for you. Where you decide not to follow the recommendation, we may, but are not obliged to, make further recommendations that we reasonably consider are consistent with seeking to achieve your objectives. You agree and acknowledge that not following our recommendations may reduce the likelihood of achieving your objectives.
- 3.8 If you elect to receive initial and ongoing investment advice (i.e. to receive recommendations on an ongoing basis), we will carry out an annual assessment of the suitability of your investments in addition to providing written suitability reports for each recommendation that we make.

- 3.9 We may carry out suitability assessments more frequently if you notify us of a material change to your circumstances, if we agree a more frequent review period with you, or if you specifically request us to. The reason for assessing suitability is to enable us to act in your best interest. You are responsible for ensuring that information provided to us is kept accurate, complete and up to date so as to enable us to assess suitability for you in light of the Client Investment Profiler form.
- 3.10 We give no warranty, assurance or undertaking as to the performance, returns, increase in or retention of value or profitability of an investment (or any part of it) or that your investment objectives or targets will be successfully achieved, whether in whole or in part.

#### **4. EXECUTION-ONLY SERVICE**

- 4.1 We may, from time to time, arrange for the execution of transactions upon your specific instructions.
- 4.2 Where you give us specific instructions to carry out transactions for you (e.g. to purchase eurobonds, securities/ shares and/or custody services as per your specific instructions), we will not advise you about the merits of a particular investment or instruction or consider whether the investment is suitable or appropriate for you. In particular, please note that as we only deal in non-complex financial instruments, we are not required to obtain information from you in order to assess whether a transaction is appropriate for you. Consequently, you will not benefit from applicable law on assessing appropriateness and you will bear all responsibility in respect of that investment decision.
- 4.3 We reserve the right to decline to arrange for the execution of any transaction or to provide or continue to provide any investment services where we believe we may be required to do so by the FCA, any other regulatory authority or any applicable law.

#### **5. EXECUTION AND SETTLEMENT**

- 5.1 Where we carry out transactions for you, we will do this by placing orders with or transmitting orders to the Custodian for execution of the transaction. We will submit your order to the Custodian by the time stated within the relevant application form following our confirmation that we have no additional requirements.
- 5.2 When we place or transmit orders on your behalf, we will owe you a duty to take all sufficient steps to obtain the best possible result for you (except to the extent that we are following a specific instruction from you). When we place or transmit orders on your behalf, we will act in accordance with our Order Execution Policy as summarised at **Schedule 4** to these Terms.
- 5.3 By agreeing to these Terms, you consent to our Order Execution Policy as summarised at **Schedule 4**. You also consent to your orders being executed outside a “trading venue” (as defined in the FCA Rules) where we deem that appropriate in accordance with our Order Execution Policy (that is, outside of a “regulated market”, “multilateral trading facility” or “organised trading facility” as those terms are defined in the FCA Rules).
- 5.4 By entering into these Terms, you also instruct us not to make public your orders to buy or sell investments at a specific price or better where they are not immediately executed under prevailing market conditions, unless we consider that it is in your best interests to do so.
- 5.5 Your order may be combined with orders of other clients. This is known as aggregation. We will only do this where we reasonably believe that this will not operate to your disadvantage. However, on occasions aggregation may result in your obtaining a less favourable price.

- 5.6 We will monitor the effectiveness of our Order Execution Policy and we will notify you of any material change to our order execution arrangements via our website.
- 5.7 We will initiate payments for investments and fees from your designated payment account to the client money bank account of the Custodian. By entering into these Terms, you authorise us to:
- 5.7.1 transfer cash from your designated payment account to meet your settlement or other obligations to the Custodian; and
  - 5.7.2 deduct our fees and any costs and expenses incurred by us in carrying out our services under these Terms from your designated payment account.

You should note that pursuant to this term, we reserve the right to retain your funds to ensure that you meet your payment obligations.

- 5.8 In line with clause 9.23 of Section B of the Account Terms, we may refuse to act on your instruction if you do not have sufficient cleared funds in your designated payment account to effect settlement of the deal(s).
- 5.9 You acknowledge that, unless you provide us with certain information, we will not be able to provide any service to you under these Terms where the performance of such service triggers transaction reporting obligations under the FCA Rules and applicable law. You undertake:
- 5.9.1 if you are a natural person, to provide us with such information upon request as will be necessary for us to discharge any obligation that we may have under the FCA Rules and applicable law for transaction reporting purposes; and
  - 5.9.2 if you are a legal entity (such as a company or charity), to provide to us upon request a valid legal entity identifier (“LEI”).

## **6. CLIENT MONEY AND SAFE CUSTODY PROCEDURE**

- 6.1 We will not accept or handle cash in any circumstances. Money for the purposes of your transactions under these Terms must be transferred to the Custodian. We can facilitate this for you.
- 6.2 We will not accept or hold client assets, including share certificates.
- 6.3 By entering into these Terms, you authorise us to appoint the Custodian on your behalf to provide custody for your investments and to hold money that belongs to you.
- 6.4 We will exercise all due skill, care and diligence in the selection, appointment and periodic review of the Custodian.
- 6.5 In providing custody services under the applicable custody terms, the Custodian is responsible for the safekeeping of your investments (including dealing with any cash). The Custodian will register your investments in the name of a nominee company of the Custodian, a third-party nominee company selected by the Custodian or in an account designated with your name. You remain the beneficial owner of the investments, meaning that they are always treated as belonging to you.
- 6.6 The Custodian will also execute, clear and settle on your behalf any transactions that we instruct the Custodian to effect under these Terms, and collect income, interest, distributions, dividends and other payments in respect of your investments.
- 6.7 We will provide you with a statement of the investments and money held by the Custodian for you based on information provided by the Custodian. The Custodian is solely responsible for the



accuracy and completeness of such information and its proper delivery to us for the preparation of statements. We will not be responsible for any liabilities arising out of any such information or resulting from the Custodian's failure to perform these responsibilities.

- 6.8 The Custodian and where relevant its nominee company or companies shall have at all times a general lien on all your financial instruments and other property in their possession, custody or control enabling them to retain such securities and other property as security for the payment of all amounts due from you to the Custodian on any account. The Custodian may also set off any obligations incurred by you to the Custodian against any obligation incurred by the Custodian to you, regardless of the place of payment or currency of either obligation. Further details are set out in the Custodian's terms at **Schedule 2**.
- 6.9 We are not liable for acts and omissions by third parties, including the Custodian, banks, or stockbrokers/ counterparties, unless we have failed to exercise due diligence in selecting, instructing or supervising such third parties.
- 6.10 You hereby request and authorise:
- 6.10.1 us to enter into an agreement with the Custodian on your behalf as your agent and agree that you are bound by the terms of the agreement as summarised at **Schedule 2** which create direct contractual rights and obligations between the Custodian and you;
  - 6.10.2 us to agree indemnities, liens and other security on behalf of you with respect to the service provided by the Custodian;
  - 6.10.3 us to agree for your assets to be held on a pooled basis;
  - 6.10.4 us to give instructions and provide information concerning you to the Custodian, and to receive and give all related notifications and consents on your behalf with respect to the service provided by the Custodian; and
  - 6.10.5 the Custodian to hold cash and investments on your behalf and to transfer cash and investments from your account to meet your settlement or other obligations to the Custodian.

## **7. COMMUNICATIONS AND INSTRUCTIONS**

- 7.1 Communications and notices with regards to services provided under these Terms will be governed by the terms set out in clauses 2 and 3.2 of Section A of the Account Terms, except that where you wish to contact us about services provided under these Terms you should use the following contact details: Private Banking Team, FBN Bank (UK) Limited, 28 Finsbury Circus, London EC2M 7DT (email: [privatebanking@fbnbank.co.uk](mailto:privatebanking@fbnbank.co.uk) and telephone: +44 (0)20 7920 4920).
- 7.2 You acknowledge and accept that there are inherent risks in communicating by email, including the risk of unauthorised interception, mis-delivery, malfunction, viruses or delay, and we will not be responsible where any such risks materialise.
- 7.3 We require you to give us instructions in writing and in English. Every verbal instruction requires written confirmation before we can process the instruction.
- 7.4 Provided we act reasonably, we may rely and act on any instruction by whatever means transmitted which appears or purports to have been sent by you or an Authorised Person without further enquiry.

7.5 We will act in accordance with confirmed instructions, unless we believe that compliance with the instruction may not be practicable or that such instruction might involve either party in a breach of applicable law or these Terms, is incomplete, conflicting or ambiguous, or was not given by you (or an Authorised Person).

7.6 If we decline to accept or act on an instruction, we will where practicable inform you that we will not be acting on such instruction. However, notwithstanding anything in these Terms to the contrary, we may in our absolute discretion decline to accept or act on an instruction from you or an Authorised Person without giving any reason for doing so.

## **8. REPORTING**

8.1 We will provide you with information about all costs and charges incurred by you in relation to the services provided to you under these Terms, the cost of any investments recommended to you and, if applicable, details of any payments made to third parties in accordance with the FCA Rules. This information will be included in the suitability report and, where you receive an ongoing advisory service, we will provide you with this information at least annually.

8.2 We will also provide you with a contract note or third-party transaction confirmation in respect of all transactions arranged on your behalf.

8.3 We rely on the reports and information supplied by third parties (such as product providers) in order for us to produce reports for you, which may cause a delay. The information provided by third parties may be subject to certain assumptions and estimates. We will use reasonable endeavours to ensure that the information provided to you is accurate, but you acknowledge and agree that we cannot guarantee that it will be accurate and that we will not be liable for loss that may result as a consequence of errors in information provided by third parties.

8.4 We reserve the right to charge for non-standard reporting requested by you at a rate agreed with you ahead of supplying any such reporting (where applicable).

## **9. CONFLICTS OF INTEREST AND MATERIAL INTERESTS**

9.1 In the course of providing services to you under these Terms we will endeavour always to act in your best interests, however, occasionally situations may arise where we or one of our other clients have some form of interest in business transacted for you. In particular, we may advise on or recommend transactions in which we or an Associate may have, directly or indirectly, a material interest which may conflict with a duty we owe you. We may also advise on or recommend transactions where we owe a duty to another client which may involve a conflict with the duty we owe to you. However, we will ensure that such transactions, if implemented, are effected on terms that are not materially less favourable to you than if the conflict or potential conflict had not existed.

9.2 In accordance with FCA Rules and our own Conflicts of Interest Policy, we have in place arrangements to prevent or manage conflicts of interest that may arise in the course of providing our services to you. In the event of an actual or potential conflict of interest, we will follow the steps set out in our Conflicts of Interest Policy to manage the conflict of interest so as to prevent it from adversely affecting your interests. If we are unable to prevent or manage the conflict of interest, we will inform you and obtain your consent before we proceed.

9.3 A summary of our Conflicts of Interest Policy has been provided to you and is available on our website. Further details of our Conflicts of Interest Policy are available upon request. You will be notified of any material changes to our Conflicts of Interest Policy via our website.

- 9.4 In accordance with the FCA Rules, we are prohibited from accepting any fee, commission, payment, monetary or non-monetary benefits provided by any third party in relation to the provision of our services to you, subject to limited exceptions.
- 9.5 You agree that we and/ or any Associate of ours may provide any services to others or carry out transactions as principal where we have or an Associate of ours has (directly or indirectly) a material interest or relationship which may involve a conflict with your interests. Neither we nor any Associate shall be liable to account to you for any profit, benefit, commission or remuneration received in these circumstances nor shall our fees under these Terms be abated. 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 of ours from providing investment services to other persons.
- 9.6 You agree that in providing our services to you under these Terms, we will not be required to have regard to, or have any duty to disclose to you, or utilise for your benefit, any information which comes to our notice in the course of carrying on any other business or as a result of or in connection with services provided to other persons, or which is not known to our employees who are dealing for or with you. Furthermore, we shall not be obliged to disclose to you any information which we are prohibited from disclosing or which in our reasonable opinion it would be inappropriate to disclose given our legal and regulatory obligations.

## 10. OUR FEES AND CHARGES

- 10.1 The documents setting out the fees and charges which apply to clients of the advisory and execution-only services provided under these Terms are:
- 10.1.1 the Initial Agreement Document, which sets out the basis upon which you will pay our advisory fees. Our advisory fees are payable by you only if you decide to follow our recommendations;
  - 10.1.2 the execution-only application form; and
  - 10.1.3 the suitability report.
- 10.2 You agree to pay our fees and charges for the relevant services, unless otherwise agreed in writing with you. We may vary our fees, transaction and other charges for our services on prior notice to you. We will provide you with the applicable Initial Agreement Document and/ or execution-only application form/ suitability report on receipt of your request for advice and/ or execution-only services.
- 10.3 Our fees are exclusive of any VAT or similar taxes or charges which will be payable in addition by you.
- 10.4 Fees are payable upon demand by FBN. You authorise us to deduct our fees and charges for the services provided under these Terms directly from your bank account held at FBN. You should note that pursuant to this term, we reserve the right to retain your funds to ensure that you meet your payment obligations. If there are insufficient funds in your bank account to pay the applicable fees and charges, we will invoice you separately and payment will be due within thirty (30) calendar days of the date of the invoice.
- 10.5 In addition to our fees, you will be liable for:
- 10.5.1 the charges payable for the services provided by the Custodian, which are set out in **Schedule 1** to these Terms. You authorise us to instruct the Custodian to deduct its charges from your account maintained by the Custodian in or by reference to your name,

and/ or to transfer cash or investments from your account to meet your settlement or other obligations to the Custodian. You should note that pursuant to this term, we reserve the right to instruct the Custodian to retain your funds to ensure that you meet your payment obligations;

- 10.5.2 any costs payable and properly incurred under these Terms, including all costs charged by a product provider or investment manager and reasonable expenses, liabilities, charges and costs, stamp duty, tax or other fiscal liabilities or any other transaction related expenses and fees arising out of transactions arranged by us, our Associates or delegates in performing the services under these Terms;
  - 10.5.3 any additional administrative expenses or legal or other professional costs that we may incur if we agree or are obliged to carry on activities outside the ordinary scope of our services, for example because of a dispute between joint clients; and
  - 10.5.4 any reasonable costs related to the cancellation or termination of these Terms (see **clause 19** for more information).
- 10.6 The Initial Agreement Document and suitability report will set out all costs and charges incurred by you in relation to advisory services provided to you under these Terms, the cost of any investments recommended to you and, if applicable, details of any payments made to third parties in accordance with the FCA Rules.

## **11. CONFIDENTIALITY AND DATA PROTECTION**

- 11.1 Neither of us may disclose to any other person information of a confidential nature relating to the other party that is acquired in consequence of entering into these Terms, except for information which we or you are bound to disclose by law or regulation, or which is requested by regulatory or fiscal authorities or a court of competent jurisdiction, or which is disclosed to professional advisers where reasonably necessary for the performance of their professional services. We may disclose confidential information relating to you to our employees, Associates, delegates and other third parties but only to assist or enable the proper performance of our services. In addition, we may disclose confidential information relating to you in the following circumstances:
- 11.1.1 to investigate or prevent fraud or other illegal activity;
  - 11.1.2 for purposes ancillary to the provision of services under these Terms, including for the purposes of credit enquiries or assessments;
  - 11.1.3 if it is in the public interest to disclose such information; and/ or
  - 11.1.4 at your request or with your consent.
- 11.2 FBN is committed to keeping any personal information you provide us safe. FBN will process any personal data received under these Terms in accordance with applicable data protection legislation in the United Kingdom. Please read our privacy policy to understand how we use and protect the information you provide to us (a copy of our privacy policy can be accessed here: <https://www.fbnbank.co.uk/privacy-statement>).

## **12. ANTI-MONEY LAUNDERING AND FRAUD PREVENTION**

- 12.1 We are required by applicable law to complete checks on all our clients at periodic times under applicable anti-money laundering law. You will provide us on demand with evidence satisfactory to us of your identity, or that of your associates, employees and agents and such other matters as we may reasonably require in each case in order to comply with applicable law or regulation or

any of our policies relating to such law or regulation, including applicable anti-money laundering law. If you are unable to adequately verify your identity for anti-money laundering purposes, we may not be able to advise or arrange any investment for you.

- 12.2 We may be required by applicable law to disclose information we obtain about you to governmental or other regulatory authorities. In particular you should be aware that under UK anti-money laundering law, we may be obliged to notify the relevant government authority if we know of or suspect or have reasonable grounds for suspecting that you, or another person, are using the proceeds of crime. In those circumstances we may be precluded from seeking your consent or informing you that we have made a notification or disclosure.

### **13. LIABILITY**

- 13.1 Our obligation in the provision of services under these Terms is to use reasonable care. We will be liable to you for any losses incurred by you only to the extent that such losses are the direct result of any act or omission during the term of, and under, these Terms which constitutes a breach of contract of FBN or the wilful default, negligence or fraud of FBN or our delegates in providing any of the services under these Terms.
- 13.2 Without limiting **clause 13.1**, we will only be liable for direct losses. We will not be responsible for any loss that was unforeseeable to both us and you at the time you entered into these Terms, or which does not arise as a direct result of our acts or omissions (including indirect, special or consequential loss, loss of profits, loss of savings, loss of opportunity or loss of goodwill).
- 13.3 Nothing in these Terms will exclude or restrict any duty or liability which we may have to you under applicable law, including any liability of FBN for fraud, death or personal injury resulting from FBN's negligence.
- 13.4 You agree to indemnify us against, and hold us harmless from, any direct liabilities that may be imposed on, incurred by, or asserted against us as a result of:
- 13.4.1 your breach of any provision of these Terms; or
  - 13.4.2 any action or omission taken in accordance with any instruction, except to the extent that such liabilities are caused by the fraud, negligence or wilful misconduct of us in the manner in which we carry out the instruction.
- 13.5 The provisions of this **clause 13** will survive termination of these Terms.

### **14. YOUR UNDERTAKINGS**

- 14.1 You undertake:
- 14.1.1 that you have full capacity, power and authority to enter into and perform your obligations under these Terms, that your Agreement is duly executed, and the terms of your Agreement are legal, valid and binding obligations on you which are enforceable against you and do not constitute a breach of any obligation by which you are bound whether by contract, operation of law or otherwise;
  - 14.1.2 that you are (to the extent applicable) duly incorporated, established or constituted and validly existing under the laws of the country of such incorporation, establishment or constitution;
  - 14.1.3 that all information that you have provided to us is complete and accurate;
  - 14.1.4 to notify us in writing of any material change to the information provided by you;

14.1.5 to provide us with all information, documentation or copy documentation that we reasonably request for the purposes of complying with our internal requirements or fulfilling our legal, regulatory and contractual obligations in connection with or relating to these Terms; and

14.1.6 that you are acting as principal and for your own account in respect of all the transactions contemplated under these Terms and will accordingly be liable as principal for all obligations under these Terms.

## **15. COMPLAINTS**

15.1 Please refer to clause 9 of Section A of the Account Terms, which also applies to complaints in relation to services provided under these Terms.

## **16. COMPENSATION**

16.1 We are covered by the FSCS. You may be entitled to claim compensation from the FSCS if we cannot meet our financial obligations to you. This depends on the type of business arranged on your behalf and the circumstances of the claim. Eligible claims for most types of investment business are covered up to a maximum limit of eighty five thousand pounds (£85,000) per person per firm. FSCS cover is not available for loss of money resulting from performance of an investment. Details of the cover available will be provided to you at your request.

16.2 For further information about compensation arrangements, please refer to the FSCS website at [www.fscs.org.uk](http://www.fscs.org.uk) or telephone the FSCS on 0800 678 1100.

## **17. CHANGES TO THESE TERMS**

17.1 Please refer to clause 4 of Section A of the Account Terms, which also applies to changes to these Terms.

## **18. TERMINATION**

18.1 You may terminate these Terms at any time by giving not less than ten (10) business days' notice to us. Notice of termination must be in writing and will take effect on the business day stated in the termination notice.

18.2 We may terminate these Terms on two (2) months' prior written notice to you. We may also terminate these Terms with immediate effect or shorter notice if we have a valid reason for doing so, including in the following circumstances:

18.2.1 your death or legal incapacity;

18.2.2 your bankruptcy, insolvency or inability to pay your debts as they fall due or where we reasonably believe you may not be able to meet your obligations to us under these Terms;

18.2.3 if you close your account and/or terminate the Account Terms;

18.2.4 if you fail to provide, within a reasonable time, any information or documents that we have reasonably requested for the continued maintenance of this relationship in accordance with applicable law and/or our internal policies, or if you supply us with false, misleading or unsatisfactory information;

18.2.5 if you commit a serious or persistent breach of your obligations under these Terms;

18.2.6 if we reasonably suspect that you have acted or will act fraudulently or in breach of applicable law in relation to the matters covered by these Terms; or

18.2.7 where we consider (acting reasonably) that continuing to provide you with services under these Terms would cause us to be in breach of applicable law or expose us to action or censure from any government, regulator or law enforcement agency.

## **19. EFFECT OF CANCELLATION OR TERMINATION OF THESE TERMS**

19.1 Cancellation or termination of these Terms will not affect the completion of transactions initiated prior to receipt of notice of cancellation or termination (which we will endeavour to complete expeditiously in accordance with these Terms), or the accrued rights, liabilities, existing commitments or any other contractual provision intended (explicitly or implicitly) to survive termination of these Terms.

19.2 No penalty will apply on cancellation or termination, however, you agree to pay our fees and charges pro rata to the date of cancellation or termination, any additional expenses necessarily incurred by us (or a third party) in cancelling or terminating these Terms and any losses necessarily realised in settling or concluding outstanding transactions.

## **20. FORCE MAJEURE**

20.1 We will not be in breach of these Terms or otherwise liable to any person as a result of any delay or failure in performing our obligations under these Terms to the extent that any such delay or failure arises from causes beyond our reasonable control including suspension of trading, natural disasters, acts or regulations of any governmental or supranational authority, war or national emergency, accident, fire, riot, civil disturbance, failure of electronic equipment or communications equipment, strikes, lock-outs and industrial disputes.

## **21. USE OF THIRD PARTIES AND ASSIGNMENT**

21.1 Please refer to clauses 11 and 12 of Section A of the Account Terms, which also apply to services provided under these Terms.

## **22. MISCELLANEOUS**

### *No Waiver*

22.1 No failure on the part of FBN to exercise, nor delay by it in exercising, any right or remedy under these Terms will operate as a waiver, nor will any single or partial exercise or any right or remedy preclude any other further exercise of that right or remedy or the exercise of any other right or remedy. The rights and remedies provided in these Terms are cumulative and not exclusive of any rights or remedies provided by law.

### *Illegality*

22.2 The illegality, invalidity or unenforceability of any provision of these Terms will not affect the legality, validity or enforceability of these Terms nor the legality, validity or enforceability of any other provision.

### *Third Party Rights*

22.3 A person who is not a party to these Terms, or does not become a party to these Terms in accordance with its terms, will have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms.

### ***Governing Law***

- 22.4 These Terms and any other matters relating to the relationship between FBN and you (whether contractual or otherwise) will be governed by, and construed in accordance with, the law of England and Wales. The English courts will have exclusive jurisdiction to settle any disputes or claims that may arise out of or in connection with these Terms (whether contractual or otherwise) and all parties agree to submit to such jurisdiction.

## **23. DEFINITIONS AND INTERPRETATION**

- 23.1 In these Terms:

- 23.1.1 the headings are inserted for convenience only and do not affect the construction of these Terms;
- 23.1.2 any reference to a person includes a natural person, corporate and unincorporated body (whether or not having separate legal personality), and that person's legal and personal representatives, successors and permitted assigns as provided for in these Terms;
- 23.1.3 any reference to applicable law means as amended, extended, consolidated, substituted or re-enacted from time to time;
- 23.1.4 any reference to a document is a reference to that document as amended, supplemented or restated (in each case, other than in breach of these Terms) at any time;
- 23.1.5 any reference to the singular includes reference to the plural and vice versa;
- 23.1.6 any reference to "includes" or "including" means "includes without limitation" or "including without limitation"; and
- 23.1.7 unless otherwise clear from the context, a reference to "notify", "notification", "notice", "communication", "agree", "agreement", "instruct" or "instruction" means in writing. For these purposes, "writing" includes writing on the screen of a visual display unit or other similar device (e.g. email).

- 23.2 Certain words and expressions used in these Terms are defined below:

- 23.2.1 "**Account Terms**" means the FBN Terms and Conditions for Personal/ Joint Accounts and SPV/ Small Business Accounts;
- 23.2.2 "**Affiliate**" means a Subsidiary or a Holding Company of a person or any other Subsidiary of that Holding Company;
- 23.2.3 "**Agreement**" has the meaning given to it in **clause 1.2** of these Terms;
- 23.2.4 "**Associate**" has the meaning given in the FCA Rules;
- 23.2.5 "**Authorised Person**" means any person whose name, details and signature are notified to us from time to time and who is authorised to give instructions on your behalf;
- 23.2.6 "**Client Investment Profiler form**" means the document setting out your financial circumstances, investment objectives, risk profile, tax status and other personal circumstances that may be relevant to the services provided to you under these Terms;
- 23.2.7 "**Conflicts of Interest Policy**" means our conflicts of interest policy, which identifies circumstances that constitute, or may give rise to, a conflict of interest and sets out the processes pursuant to which we manage such conflicts (as varied by FBN from time to time);



- 23.2.8 “**Custodian**” has the meaning given to it in **clause 1.7** of these Terms;
- 23.2.9 “**Effective Date**” has the meaning given in **clause 1.1** of these Terms;
- 23.2.10 “**FCA**” means the UK Financial Conduct Authority and any successor, replacement or substitute body;
- 23.2.11 “**FCA Rules**” means the rules, guidance, directions and other provisions in the FCA Handbook or otherwise made by the FCA as from time to time in force;
- 23.2.12 “**FOS**” means the Financial Ombudsman Service whose postal address is Exchange Tower, Harbour Exchange, London E14 9SR;
- 23.2.13 “**FSCS**” means the Financial Services Compensation Scheme;
- 23.2.14 “**Holding Company**” of any other person, means a person in respect of which that other person is a Subsidiary;
- 23.2.15 “**Initial Agreement Document**” means the document which includes key information about the FBN advisory and execution only services, including FBN’s advisory and execution only fees and charges for the provision of advisory and execution only services;
- 23.2.16 “**Investment Information**” means information on investments or markets, such as market trends, investment analysis and research or commentary on the performance of selected companies and other general information;
- 23.2.17 “**LEI**” has the meaning given to it in **clause 5.9** of these Terms;
- 23.2.18 “**Order Execution Policy**” means the policy of FBN relating to the placement of orders on behalf of clients as required by applicable law (as varied by FBN from time to time);
- 23.2.19 “**PRA**” means the UK Prudential Regulation Authority and any successor, replacement or substitute body;
- 23.2.20 “**PRA Rules**” means the rules, guidance, directions and other provisions in the PRA Handbook or otherwise made by the PRA as from time to time in force;
- 23.2.21 “**Risk Disclosure Statement**” means the document containing important information on the risks associated with the investment service provided by FBN;
- 23.2.22 “**Subsidiary**” means an entity of which a person has direct or indirect control or owns directly or indirectly more than 50 per cent. of the voting capital or similar right of ownership and control for this purpose means the power to direct the management and the policies of the entity whether through the ownership of voting control, by contract or otherwise.

**SCHEDULE 1**  
**CHARGING STRUCTURE FOR INVESTMENT SERVICES**

**1. INVESTMENT PORTFOLIO – INITIAL FEES**

- 1.1 This is an upfront fee FBN will charge for providing investment advice (advisory) or arranging execution-only investment. The fee is in addition to the investment amount. The fee charged will depend on the investment amount and will be charged as follows:

<b>Amount of Portfolio (Advisory)</b>	<b>Charges</b>
Investment portfolio of \$250k > \$500k (including \$250k), or equivalent in GBP.	2%
Investment portfolio of \$500k > \$1m (including \$500k), or equivalent in GBP.	1.75%
Investment portfolio of \$1m > \$1.5m (including \$1m), or equivalent in GBP.	1.25%
Investment portfolio > \$1.5m (including \$1.5m), or equivalent in GBP.	Negotiable

- 1.2 Jarvis Investment Management Limited, the Bank's current administrator/ custodian will charge the following:

Trade fee	£100 for each transaction
BACS withdrawal fee	£5 for GBP transactions and £20 for non-GBP transactions
Annual investment account fee	£50 + VAT payable monthly in arrears, for other securities

- 1.3 Any additional transactions relating to new or existing investments may be subject to additional charges and if this is the case, we will notify you of any change and seek your agreement to proceed.

***Arrangement of Execution only Services Fees***

- 1.4 Clients are charged an arrangement fee of between 0.25% to 1.00% (inclusive) depending on the required services. The fee, which is payable to FBN, is charged upfront by debiting the client's account with FBN.

<b>Amount of Portfolio (Execution-Only)</b>	<b>Charges</b>
Investment portfolio of \$200k > \$500k (including \$200k), or equivalent in GBP.	1%
Investment portfolio of \$500k > \$1m (including \$500k), or equivalent in GBP.	0.75%

<b>Amount of Portfolio (Execution-Only)</b>	<b>Charges</b>
Investment portfolio of \$1m > \$5m (including \$1m), or equivalent in GBP.	0.5%
Investment portfolio > \$5m (including \$1.5m), or equivalent in GBP.	0.25%

1.5 Jarvis Investment Management Limited's fee structure is as follows:

1.5.1 A custodian fee of 5 basis points (i.e. 0.05%), minimum of three pounds (£3) per annum is payable monthly for the Eurobonds.

1.6 Trade fees will be charged as follows:

<b>Value of Trade</b>	<b>Commission</b>
£0 – £2,000	£25
£2,001 – £4,000	£35
£,4001 – £20,000	£55
£20,000+	£100

1.7 Fees for Securities backed Lending:

Lending Rate	3.75% to six% per annum
Arrangement Fee	0.5% to 1%
LTV	65%

## SCHEDULE 2 CUSTODY TERMS

### 1. RELATIONSHIP WITH JARVIS INVESTMENT MANAGEMENT LIMITED

- 1.1 We have entered into an agreement (the “**Contract**”) with Jarvis Investment Management Limited (“**Jarvis**”), on behalf of ourselves and each of our clients whereby Jarvis has agreed to provide clearing and settlement, safe custody and associated services for our clients who are subject to this Agreement. Jarvis may also provide additional services such as investment dealing services as we may from time to time agree with Jarvis.
- 1.2 Jarvis, with company number 1844601, has its registered office at 78 Mount Ephraim, Tunbridge Wells, Kent, TN4 8BS. Jarvis is authorised and regulated by the FCA under FCA registration number 116413.
- 1.3 The current terms and conditions of Jarvis and the principal terms of the Contract as it applies to our clients, including you, are set out or summarised below.
- 1.4 In consideration of Jarvis making their services available to you, you agree that:
- 1.4.1 we are authorised to enter into the Contract on your behalf as your agent and that you are bound by the terms of the Contract as summarised in this **Schedule 2** which constitute the formation of a contract between you and ourselves and also between you and Jarvis;
- 1.4.2 we are authorised to give instructions (as provided for in our terms of business (“**Terms**”) and the Agreement) and provide information concerning you to Jarvis and Jarvis shall be entitled to rely on any such instructions or information without further enquiry; and
- 1.4.3 Jarvis is authorised to hold cash and investments on your behalf and is authorised to transfer cash or investments from your account to meet your settlement or other obligations to Jarvis.
- 1.5 Jarvis neither provides investment advice nor gives advice or offers any opinion regarding the suitability or appropriateness (as appropriate) of any transaction or order and relies on information provided to it by us in respect of all such matters. In the same way we are not responsible for Jarvis’ actions, omissions or any obligation they may owe you under the FCA Rules or the regulatory system.

### 2. CAPACITY

- 2.1 The following provisions shall apply to you if you fall within the categories specified below:
- 2.1.1 joint account holders shall be jointly and severally liable to Jarvis and Jarvis may discharge its obligations to make any payment or account to all such holders by making such payment or account to any one or more of them;
- 2.1.2 all the partners of a partnership shall be jointly and severally liable to Jarvis and Jarvis may discharge its obligations to make any payment or account to all such partners by making such payment or account to any one or more of them;
- 2.1.3 where the client is a company or an unincorporated association, the directors of the company or members or participants in the unincorporated association shall, to the extent they have assumed personal liability to FBN, also be personally liable to Jarvis for the liabilities and obligations of the company or unincorporated association

concerned. Jarvis may discharge its obligations to make any payment or account to all such directors or members or participants by making such payment or account to any one or more of them; and

2.1.4 the trustees of any trust shall be regarded as Jarvis' client (as opposed to any beneficiary) and shall be jointly and severally liable to Jarvis.

2.2 Where you are acting as agent on behalf of another (whether disclosed to us or not) you will be, and at all times remain, liable to Jarvis as principal in relation to any liabilities and obligations which are to be performed under the terms set out in this **Schedule 2** and Jarvis will treat you as its client. You agree that you will be liable to Jarvis jointly and severally with any such underlying person in respect of all obligations and liabilities arising from instructions given to Jarvis.

### **3. CLIENT ACCOUNTS**

3.1 Jarvis shall open and maintain one or more account(s) on its books in connection with the services to be provided by Jarvis under the terms set out in this Schedule 2. Any cash and investments delivered by you or held for your account shall be recorded in such account(s).

### **4. CLIENT MONEY**

4.1 Any money (in any currency) received by Jarvis for the account of any client will be received and held by Jarvis in accordance with the FCA Rules, in particular the FCA Client Money rules. Client money will be held in an omnibus client money account with an approved bank nominated by Jarvis in which Jarvis will hold a pool of money it is holding on behalf of customers including our clients.

4.2 Jarvis may, from time to time, hold client money in a client bank account with an approved bank outside the United Kingdom. In such circumstances, the legal and regulatory regime applying to the approved bank with which such money is held will be different from that of the United Kingdom and, in the event of a default of the approved bank, such money may be treated differently from the position that would apply if the money was held by an approved bank in the United Kingdom.

4.3 Jarvis will pay interest on client money at such rate as it may specify and such interest will be credited to each client cash account once in every calendar month.

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

### **5. CUSTODY**

5.1 Jarvis will register your investments either:

5.1.1 in an account designated with your name, if this has been requested by us; or

5.1.2 in the name of its nominee or a custodian (or its nominee) appointed by Jarvis.

5.2 All investments held in custody will be pooled and allocated between clients in accordance with the FCA Rules. Accordingly, individual entitlements may not be identifiable by separate certificates, documents of title or entries on the register. In the event of an irreconcilable shortfall following a default by any custodian, you may not receive your full entitlement and may share in any shortfall on a pro rata basis.

5.3 Jarvis will be responsible for receiving and claiming dividends and interest payments to be credited to your account or paid to you in accordance with the terms of this **Schedule 2**. All

dividends and interest credited to your account or paid to you will be net of any tax and other deductions required to be made by Jarvis and/or the payee in accordance with applicable legal or regulatory requirements. Jarvis will provide details of all such deductions required to be made by it and will pass on such information in relation to such deductions by others as it may receive. We will be responsible for any costs and expenses Jarvis may incur in receiving and claiming dividends and interest payments. At our written request, Jarvis will use its reasonable endeavours to reclaim (or procure that its nominee and any relevant custodian reclaims) any withholding tax and other deductions.

5.4 Jarvis shall be responsible for informing us of any events concerning investments held in custody including rights issues, take-over offers, capital reorganisations, and conversion or subscription rights as soon as reasonably practicable after receiving notice of those events. Jarvis will take up or participate in such events as instructed by us provided that such instructions are received within such time as Jarvis may stipulate. All entitlements relating to investments held in pooled accounts will be allocated as far as is possible on a pro-rata basis, however, Jarvis may if this is not possible adjust the allocation of entitlements in such a way as appears to them to achieve a fair treatment for all participants in the pool and any remainder shall be retained beneficially by Jarvis.

5.5 Jarvis may appoint agents, sub-nominees and sub-custodians (whether in the United Kingdom or overseas), to hold investments held in custody. Jarvis will exercise reasonable care in the selection of agents, sub-nominees and sub-custodians and before nominating a custodian it will undertake a risk assessment of that custodian in accordance with the FCA Rules. Jarvis will be responsible for the acts and omissions of its nominee, however, in the absence of negligence, fraud or wilful default, Jarvis shall not be responsible for the default of any sub-nominee, custodian, sub-custodian, securities depository, intermediate broker or agent, clearing or settlement system or participant in such a system. In the case of any investments held overseas there may be different settlement, legal and regulatory requirements in overseas jurisdictions from those applying in the United Kingdom and there may be different practices for the separate identification of investments.

## **6. COMMUNICATIONS AND INSTRUCTIONS**

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

6.2 Jarvis may, in its absolute discretion, refuse to accept any order or other instruction for your account(s). Jarvis will advise us of its decision and may advise us of the reason for its decision unless prevented from doing so by law, court order or instruction by the FCA.

6.3 You should direct all enquiries regarding your account to us and not to Jarvis.

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

## **7. DEALING**

- 7.1 Jarvis shall be responsible for executing transactions as instructed by us on your behalf.
- 7.2 If Jarvis provides dealing services for your account and in doing so executes a transaction on your behalf the following provisions shall apply:
- 7.2.1 all such transactions shall be executed by Jarvis subject to applicable FCA Rules and the rules of any relevant exchange, market or other execution venue;
  - 7.2.2 instructions from us in relation to such transactions will be regarded by Jarvis as specific instructions from you;
  - 7.2.3 transactions will be conducted in accordance with Jarvis' order execution policy as amended from time to time, details of which are available at the following web address – <https://www.jarvisim.co.uk/#/important> – including the possibility that it will execute some transactions otherwise than on an exchange, market or other execution venue within the European Economic Area (“EEA”);
  - 7.2.4 following the execution of any order by Jarvis we will, unless you have otherwise instructed us, send a contract note or advice to you for the relevant transaction on the following business day. The terms of any contract note shall be conclusive as to any matter contained or provided in such note unless Jarvis is notified otherwise in writing by us immediately or, in any event, within two (2) Business Days following the dealing date. All transactions will be settled in accordance with the terms of the contract note.
- 7.3 Jarvis may use any intermediate brokers and agents, including using intermediate brokers and agents outside the United Kingdom to execute orders and pass money and investments held for your account to such broker or agent. In the case of intermediate brokers and agents outside the United Kingdom, the legal and regulatory regime applying to such intermediate broker or agent will be different from that of the United Kingdom and, in the event of a default of such intermediate broker or agent, such money or investments may be treated differently from the position which would apply if the money or investments were held by an intermediate broker or agent in the United Kingdom.

## **8. SETTLEMENT OF TRANSACTIONS**

- 8.1 All transactions shall be due for settlement on the settlement date, and in accordance with the terms, specified in the relevant contract note or advice.
- 8.2 You undertake to ensure that there is sufficient cash in cleared funds in your cash account and/ or that investments and any documents of title and/or transfer forms that are required to settle the transaction are delivered, transferred or paid to Jarvis in sufficient time before the contractual settlement date to enable Jarvis to settle the transaction. For the avoidance of doubt cheques require not less than three (3) business days and debit card payments require not less than two (2) business days to become cleared funds.
- 8.3 If there is insufficient cash in cleared funds in your cash account and/ or investments and any documents of title and/or transfer forms that are required to settle the transaction have not been delivered to Jarvis in sufficient time to enable Jarvis to meet the settlement obligations from your account, Jarvis may nevertheless settle the transaction for you, although it is under no obligation to do so. If Jarvis settles the transaction, you undertake to:
- 8.3.1 pay or transfer to Jarvis within such timescale as we or Jarvis may specify, sufficient cash or, as the case may be, investments to reimburse Jarvis for any shortfall; and

8.3.2 on demand, reimburse Jarvis for any commission, charges or other expenses Jarvis has incurred in settling the transaction prior to receiving such cash or investments.

8.4 If Jarvis elects to settle a transaction for the sale of investments when there are insufficient investments in your account to enable the settlement obligations to be met from that account, Jarvis may at any time before receiving sufficient investments to reimburse it for the shortfall, purchase such investments in the market. If it does so and the cost of purchasing the investments is greater than the amount received by Jarvis on the settlement of the transaction, you undertake, instead of delivering such investments to Jarvis, to pay to Jarvis an amount equal to the difference (together with any commission or other fees or expenses that are due to Jarvis). In any event, Jarvis may debit the amount received on the settlement of the transaction from your account and apply such amount against the purchase or other costs or charges incurred. Any other expenses Jarvis has incurred in settling the transaction prior to effecting settlement shall continue to be payable by you to Jarvis. Jarvis shall be entitled to sell any investment held on behalf of you where any sums are due to Jarvis twenty eight (28) days after settlement.

## 9. PAYMENT AND SET-OFF

9.1 Payment of all amounts due to Jarvis are due on demand and shall be paid without set-off, counterclaim or deduction.

9.2 Jarvis may set-off, transfer or apply (with or without prior notice) any indebtedness, liabilities or obligations of Jarvis to you, or any credit balance (whether or not then due and payable) on any account that has been opened in your name under the terms of this Schedule 2 and any accrued interest in or towards the satisfaction of and indebtedness, liabilities or obligations or any sum that is due from you to Jarvis in any respect whatsoever (whether or not expressed in the same currency and including, without limitation, any payment of fees or charges due to Jarvis and payments pursuant to any indemnity).

9.3 Where any set-off, consolidation, combination or transfer requires the conversion of one currency to another, such conversion shall be carried out at such rates and in such manner as Jarvis may determine.

9.4 You acknowledge that until you have paid or discharged in full all monies and liabilities owed to Jarvis in relation to your account, any monies from time to time outstanding to the credit of your account up to the value of the outstanding amount shall not be due and payable (to the extent it would otherwise be due and payable in accordance with the provisions of this **Schedule 2**). Jarvis may, however, in its absolute discretion make payments to you from any such account or otherwise exercise its rights, including its rights of set-off.

9.5 Time shall be of the essence with respect to any payment, delivery or other obligation of you to Jarvis.

## 10. SECURITY AND DEFAULT

10.1 As continuing security for the performance of your obligations under this **Schedule 2** and for the payment of all sums due to Jarvis, you hereby agree to grant and grant Jarvis a continuing general lien and right of set-off over and in respect of, all investments, documents of or representing title to property, and all cash or other assets of any nature held by or subject to the control of Jarvis (its nominees and custodians) for your account (including, without limitation, the benefit of all contractual rights and obligations and any proceeds of sale).



- 10.2 You and we will, at the request of Jarvis, take such action as may be required to perfect or enforce any security interest and each of us irrevocably appoints Jarvis as their attorney to take any such action on their behalf.
- 10.3 You represent and warrant, jointly and severally with us, to Jarvis that all cash, investments or other assets of any nature transferred to or held by Jarvis, their nominees and custodians for your account are your sole and beneficial property or are transferred to or held by Jarvis, their nominees and custodians with the legal and beneficial owner's unconditional consent and are free of such owner's interest and, in any event, are and will be transferred to or held by Jarvis, their nominees and custodians free and clear of any lien, charge or other encumbrance and undertake that neither you nor we will charge, assign or otherwise dispose of or create any interest therein.
- 10.4 If you fail to comply with any of your obligations to Jarvis, the security interest referred to in this paragraph 10 shall be enforceable and the powers conferred by Section 101 of the Law of Property Act 1925 (as varied and extended by this **Schedule 2**) shall be exercisable. Section 103 of the Law of Property Act 1925 shall not apply to this Schedule 2. In such circumstances Jarvis may without prior notice and free of any interest of yours, sell, charge, pledge, deposit, realise, borrow or otherwise deal, with any investments or other assets Jarvis, their nominees and custodians are holding for your account on any terms it considers appropriate. The proceeds of any sale or realisation of such investments or other assets and any moneys from time to time deposited with or held by Jarvis, their nominees and custodians under this **Schedule 2**, shall be applied towards the satisfaction of your liabilities to Jarvis.
- 10.5 If you fail to make payment or delivery when required, breach any of the provisions of this Schedule 2 or any exchange, market, FCA or regulatory requirements or become subject to an insolvency event, or if Jarvis reasonably considers that you have not performed your obligations hereunder or may otherwise jeopardise the position of Jarvis in any respect, Jarvis may, at that time or at any time thereafter, without prejudice to any other right or remedy available to it, and without further notice to you or us:
- 10.5.1 cancel, close out, terminate or reverse all or any order or transaction for the account of you;
- 10.5.2 retain, sell, charge or otherwise dispose of any cash, investments or other assets held for you and apply the same or any proceeds of sale thereof in full or partial settlement of any liability; and/or
- 10.5.3 exercise any other right or remedy available to it hereunder or take such other action, as Jarvis may, in its absolute discretion, consider necessary, desirable or expedient to protect the position of Jarvis.
- 10.6 In exercising any right or remedy pursuant to this paragraph 10, Jarvis is authorised to effect such currency conversions and enter into such foreign exchange transactions with, or on behalf of, you or us, at such rates and in such manner as Jarvis may, in its absolute discretion, determine.
- 10.7 No third party shall be required to enquire as to the validity of the exercise by Jarvis of its powers under this paragraph 10.

## **11. LIABILITY AND INDEMNITY**

- 11.1 Neither Jarvis, nor any of its directors, employees or agents, shall be liable for any loss or damage sustained by you as a direct or indirect result of the provision by Jarvis of its services, save that nothing in the terms set out in this Schedule 2 exclude or restrict any liability of Jarvis resulting from:

- 11.1.1 death or personal injury caused by the negligence of Jarvis;
  - 11.1.2 breach of any obligation implied by Section 17 of the Consumer Rights Act 2015; or
  - 11.1.3 fraud or criminal act committed by Jarvis or any of its officers, employees or sub-contractors.
- 11.2 Jarvis shall not in any event be liable to you or us for any loss or liability or loss of profit or gain incurred or suffered by you or us in consequence of any exercise by Jarvis of any right or remedy under this Schedule 2 and any purchase, sale, transaction or other action may be undertaken by Jarvis at such price and on such terms as Jarvis shall, in its absolute discretion, determine.
- 11.3 You undertake to indemnify Jarvis on an after-tax basis on demand against all costs, claims, liabilities or expenses (including legal costs) duties and taxes (other than corporation tax on the net income of Jarvis) which arise directly or indirectly as a result of:
- 11.3.1 the provision by Jarvis of its services to you or the enforcement of Jarvis's rights under the terms of this Schedule 2;
  - 11.3.2 any breach by you of any of the terms of this Schedule 2;
  - 11.3.3 any default or failure by you in performing your obligations under the terms of this Schedule 2, including the obligation to make delivery or payment when due; or
  - 11.3.4 any representation or warranty given by or on behalf of you being untrue or misleading in any respect.
- 11.4 The provisions of this paragraph 11 shall continue to apply notwithstanding the termination of the Agreement or the fact that we or Jarvis otherwise cease to provide services to you and shall be in addition to any other right of indemnity or claim whether pursuant to the terms set out in this Schedule 2 or otherwise and shall not be affected by any forbearance, whether as to payment, time, performance or otherwise.

## **12. CHARGES**

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

## **13. CONFLICTS OF INTEREST**

- 13.1 The Jarvis group (comprising Jarvis and its associated companies) provides a wide range of services to both retail clients and companies engaged in a variety of activities on behalf of individuals and institutional clients, including the management of client assets, transacting of deals and the custody of assets. As such, Jarvis, or any company within the Jarvis group, may at times have interests which conflict with those of its clients. Conflicts may arise both between Jarvis' interests, Jarvis' associates and employees and Jarvis' clients, and also between clients.
- 13.2 Jarvis has in place a Conflicts of Interest Policy together with procedures specifically designed to identify and manage such conflicts. These include organisational and administrative arrangements that are intended to restrict the flow of information and access to client data so as to protect the interests of clients and to ensure that the activities of employees are visible to senior management and are monitored.

## **14. DATA PROTECTION**

- 14.1 Jarvis may use, store or otherwise process personal information provided by you or us in connection with the provision of its services for the purposes of providing the services, administering your account or for purposes ancillary thereto. In the UK, Jarvis operates in accordance with applicable data protection legislation. The Contract sets out certain obligations on Jarvis as the Data Processor of your personal information, as required by that legislation.
- 14.2 Jarvis may, unless you inform Jarvis otherwise, make your name and address available to other companies to enable information about investment or other services to be sent to you, by letter, telephone or other reasonable means of communication.
- 14.3 Please be advised that, in using the service, you explicitly agree that Jarvis may send your information internationally including to countries outside the European Union, including the United States of America. Jarvis will always take steps to ensure that your personal data is transferred in accordance with applicable data protection legislation.

## **15. COMPLAINTS**

- 15.1 In the event of a formal complaint regarding Jarvis' services you should contact FBN Bank (UK) Limited. Please refer to clause 9 of Section A of the Account Terms, which also applies to complaints in relation to services provided under this **Schedule 2**.
- 15.2 If your complaint is not resolved to your satisfaction, you may contact the Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall, London E14 9SR.

## **16. INVESTOR COMPENSATION**

- 16.1 Jarvis is covered by the UK Financial Services Compensation Scheme. Depending on the type of business and your circumstances, compensation, may be available from that scheme if Jarvis cannot meet its obligations to you. Further information about compensation arrangements is available from the Financial Services Compensation Scheme.

## **17. AMENDMENT**

- 17.1 You agree that Jarvis has the right under the Contract to alter the terms set out in this **Schedule 2** at any time, upon giving prior notice to us unless it is impracticable in the circumstances to give such notice. We are unable to influence any such amendments.

## **18. GENERAL**

- 18.1 Jarvis' obligations to you shall be limited to those set out in the terms in this **Schedule 2** and Jarvis shall, in particular, not owe any wider duties of a fiduciary nature to you.
- 18.2 No third party shall be entitled to enforce the terms set out in this **Schedule 2** in any circumstances.
- 18.3 Any failure by Jarvis (whether continued or not) to insist upon strict compliance with any of the terms set out this **Schedule 2** shall not constitute nor be deemed to constitute a waiver by Jarvis of any of its rights or remedies.
- 18.4 The terms set out in this Schedule 2 shall be governed by English law and you hereby irrevocably submit for the benefit of Jarvis to the non-exclusive jurisdiction of the courts of England.

### SCHEDULE 3 RISK DISCLOSURE DOCUMENT

Before you accept the Terms and Conditions and engage in Investment Services, it is important that you read these Risk Warnings. This document provides you with information about the general risks associated with investment products which are offered by FBN Bank (UK) Limited. These are in addition to the terms of financial instruments which anyone investing in a financial instrument should consider as well as specific risks associated with each financial instrument and each category of financial instrument.

Please note that this statement is for your information only and does not explain all the possible risks involved in investment products or how such risks relate to your personal circumstance or investment objectives. You must always assess financial instruments according to their individual terms as it relates to your personal circumstance.

1. We offer our Advisory services across a limited range of markets and therefore, do not have access to the whole of market. This may mean that you lose out from the benefits of a wider range.
2. Buying Investments can involve risk. The value of your Investments and the income from them can go down as well as up and is not guaranteed at any time. You may not get back the full amount you invested. Information on past performance is not a reliable indicator for future performance. Information on risks involved for specific Investments can be found on the Key information documents (“**KIID**”) or Factsheets.
3. The potential gains and losses that may arise from your investments can be dependent on your appetite for risk and how you manage your approach to risk. Your investment knowledge and experience play a significant role in achieving your investment objectives as investment in unknown and unfamiliar securities can be considered to be high risk especially for execution-only strategy.
4. For our execution-only services, we will trade in non-complex instruments and will not give you any form of investment advice or advise you about the merits, suitability or appropriateness of these non-complex instruments and/or a particular transaction or otherwise. In providing our Services, we are not required to assess the suitability or appropriateness for you of the Investments or Services provided or offered and therefore, you will not benefit from the protection of the FCA Rules on assessing suitability and/or appropriateness. An assessment of suitability and/or appropriateness takes into account an investor’s knowledge and experience, financial situation and investment objectives and applies only when a firm makes a personal recommendation or manages investments.
5. Certain Investments may not be or become readily realisable. They are Investments in which there is a restricted market, and it may therefore be difficult to sell these Investments at a reasonable price and in some circumstances, it may be difficult to sell them at any price or obtain reliable information about their value. You should not buy these Investments unless you have carefully thought about whether you can afford them and whether they are right for you.
6. Under certain 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.
7. There is the risk of counterparty insolvency whereby the insolvency of any of the counterparties involved in your transaction, may lead to positions being liquidated or closed out without your consent or investments not being returned to you. There is also insolvency in relation to the investment itself which will have the same effect.

8. As a consequence of using our Services, your personal tax position may be altered. The levels of and bases of taxation can change. You should consult your own tax adviser to understand any applicable tax consequence that might arise.
9. Exchange-rate fluctuations may adversely affect the value, price or income of Investments priced in foreign currencies. Foreign markets will involve different risks from UK markets and in some cases, the risks may be greater. There may be different settlement, legal and regulatory requirements from those applying in the UK. The potential for profit or loss from transactions on foreign-denominated contracts will be affected by fluctuations in foreign-exchange rates.
10. Systemic risk is the risk of disruption to the financial system triggered by an event such as global or regional economic downturn or institutional failure that causes chain reactions resulting in price volatility, loss of investor confidence, significant losses and/or market failure. These can be unpredictable and difficult to mitigate against.
11. Before you begin to trade, you should obtain details of all commissions and other charges for which you will be liable. All charges must be expressed in monetary terms

## **SCHEDULE 4**

### **FBN ORDER EXECUTION POLICY**

## **1. BACKGROUND**

### **1.1 Introduction**

- 1.1.1 As a firm that receives and transmits orders, FBN Bank (UK) Limited – “The Bank”, is required to establish and implement a policy that enables it to comply with the obligation to take all sufficient steps to obtain the best possible result for its clients, when providing the service of reception and transmission of orders, as well as a requirement to provide information to its client on that policy.
- 1.1.2 This document sets out FBN Bank (UK) Limited’s approach to achieving its best execution for its clients in accordance with the regulatory requirements to which it is subject, the rules of the Financial Conduct Authority (FCA) as well as MiFID II requirements.
- 1.1.3 This document is underpinned by the relevant processes and policies of the Bank’s Administrators/Custodian.

### **1.2 Policy Scope**

This policy applies to all eligible client orders in all financial instruments within the Bank’s investment offering received, transmitted, placed/executed by the bank through its administrators/custodians on behalf of its clients.

### **1.3 Regulatory Framework**

For reference, the main legal and regulatory frameworks supporting this policy are as detailed within the FCA’s Conduct of Business Source Book (COBS) and Markets in Financial Instruments Directive (MiFID) II requirements for Best Execution.

### **1.4 Policy Outcome**

The outcome of the policy is to detail the steps we take to achieve the best possible result. While the Bank takes all sufficient steps to achieve the best possible result for its clients on a consistent basis, it cannot be guaranteed that best execution is achieved for each trade. The Policy is subject to:

- 1.4.1 Any specific instructions that you give to the Bank (e.g an instruction to execute subject to a specific price limit -limit order).
- 1.4.2 The nature of your order (e.g large orders relative to the normal trading volume of the financial instrument).
- 1.4.3 The nature of the markets and financial instruments (e.g whether there are buyers and sellers in the market for the financial instrument).

## **2. EXECUTION FACTORS**

- 2.1.1 In ensuring compliance to the regulatory requirements, the specific factors to be considered in determining how to obtain the best possible outcome for the Bank’s clients’ order are price, costs, speed, likelihood of execution and settlement, size, nature or any other factor relevant to the execution of the clients’ order.

2.1.2 The relative importance of these factors will depend on the following conditions and characteristics:

- (a) The client, including how they are categorised.
- (b) The client orders.
- (c) The nature of the financial instruments involved.
- (d) The execution venues to which that order could be directed.

### 3. EXECUTION VENUES

3.1 To meet the requirement to obtain the best possible outcome for the execution of client orders, any of the following types of venues may be used:

3.1.1 Regulated Markets: This refers to a marketplace, trading system or exchange which meets the minimum EU standards set out in title III of the MiFID Regulations.

3.1.2 Multilateral Trading Facilities (MTF): This refers to a system that brings together multiple parties (e.g retail investors or other investment firms), that are interested in buying and selling financial instruments and enables them to do so. These systems can be crossing networks or matching engines that are operated by an investment firm or a market operator.

3.1.3 Systematic Internalisers: Investment Firms who trade in an organised, frequent and substantial basis on its own account when executing client orders outside a regulated Market, MTF or OTF.

3.1.4 Organised Trading Facilities (OTF): This is a multilateral system that is not a regulated market or MTF bringing together multiple third party buying and selling interests in financial instruments in a way that results in a contract or transaction.

3.1.5 Other market makers, third party brokers or other liquidity providers.

3.1.6 Non-EU entities performing a similar function to the above.

### 4. ORDER HANDLING AND ALLOCATION

4.1 In executing the client orders received and transmitted by the Bank, significant focus is placed on the following execution venues:

Product	Execution Venue
UK Equities & Exchange Traded Products	Winterflood Securities, KBC Peel Hunt, Shore Capital Brokers Ltd, Knight Equity Markets and Cantor Fitzgerald Europe
Non-UK Instruments	Winterflood Securities, KBC Peel Hunt, Stifel Nicolaus Europe Ltd

4.2 When the Bank transmits the clients' orders to its administrator/custodian, these orders are routed through a network of Retail Service providers (RSPs), to receive quotes for the available execution prices. Prices advised through this process have proven to generally achieve better

prices that the prices achieved on the London Stock Exchange. In cases where more than one price is quoted, the price that achieves the best outcome for the client is adopted. In the event that an order cannot be filled, the order handlers will determine the best approach to achieve the best possible outcome for the client.

## **5. MONITORING AND REVIEW OF THE POLICY**

The Bank will monitor and review the execution quality on an ongoing basis. This review will include ensuring that the administrators/Custodians continue to provide the best possible outcome for the Bank's clients on a consistent basis. The list of RSPs used by the Bank's administrator/custodian is to be reviewed at least annually, to ensure that the quotes being received are from the key participants in the relevant markets.

## **6. GOVERNANCE, ESCALATION AND REPORTING**

This policy is owned by Wealth Management, Private Banking. Recommendation/approval requests for this policy will be made to Executive Management Committee (EMC).

### **6.1 Responsibilities**

The following individuals and Functions are assigned the responsibilities below:

#### **6.1.1 Private Banking**

- (a) Preparation, amendment and maintaining of the Order Execution Policy.
- (b) Seek EDBD's recommendation of the Policy document.

#### **6.1.2 Executive Director Business Development**

- (a) Recommend the Policy for EMC approval.

### **6.2 Escalation**

In instances where a breach of the PB Wealth Management Policy occurs, it will be escalated as follows and, in this order, as deemed necessary:

6.2.1 Head of PB

6.2.2 Executive Director, Business Development

6.2.3 Compliance Department and/or Relevant Governed Forum

### **6.3 Adherence**

PB will adhere to the applicable regulatory requirements covered under this policy and non-adherence will result in a breach.

### **6.4 Exclusions/Waivers/Dispensations**

There are no exclusions and dispensation under this policy.