



Terms and Conditions for Eligible Counterparties
(WHERE CREDO APPOINTS CUSTODIAN)

With effect from July 2023 – V3.2



Standard Terms of Business

THIS IS AN IMPORTANT DOCUMENT AND YOU SHOULD READ IT CAREFULLY

These Terms and Conditions (the **Terms**), the completed Application Form(s), the Schedule of Charges or agreed charges, where applicable, and any other governing agreement entered into between you and Credo Capital Limited (**Credo** or **us**), together form the agreement made between you and Credo (collectively referred to as the **Agreement**).

This document regulates the provision of services by us for you and all dealings between you and us and may only be varied in accordance with these Terms.

In respect of you and/or your underlying clients (the **Investors**), these Terms are deemed to have been accepted once we have received a signed Application Form or when you first instruct us in respect of any particular transaction or service. These Terms govern any transactions made prior to receipt, regardless of whether or not you or the Investors, if applicable, have signed the Application Form and returned it to us unless you have previously advised us in writing to the contrary.

In respect of existing clients, these Terms come into force on the date set out on the cover page and will supersede the previous terms of business provided to you. We may require additional documentation from you from time to time.

For the purposes of these Terms, a **Group Company** includes our holding company, all subsidiaries of such holding company, our subsidiaries and any investment vehicle set up by any aforesaid company to facilitate any investment by you and/or your Investors, where applicable.



General Terms and Conditions

1. Our Regulatory Status

- 1.1. We are authorised and regulated by the Financial Conduct Authority ("FCA") in the United Kingdom ("UK") in the conduct of our designated investment business. We are on the FCA Register (number 192204). The address of the FCA is 25 The North Colonnade, Canary Wharf, London E14 5HS.
- 1.2. You should be aware that we are required to co-operate with the FCA, other regulatory authorities and with any securities exchanges of which we may be a member from time to time, in their dealings and other enquiries. This may involve reporting or disclosing to such authorities relevant information in respect of dealings in securities, including the identity of our clients. In particular the Money Laundering Regulations 2007 and related legislation impose certain reporting and disclosure requirements on us.
- 1.3. If you have any complaint about the performance of our duties under these Terms, you should direct that complaint to our Compliance Officer who will investigate the complaint and try to resolve it.

2. Our Service

- 2.1. We will provide dealing services on an execution-only basis in relation to:
 - 2.1.1. shares in UK or foreign companies;
 - 2.1.2. debenture stock, loan stock, bonds, notes, certificates of deposit, commercial paper or other debt instruments, including government, public agency, municipal and corporate issues;
 - 2.1.3. warrants to subscribe for investments falling within (2.1.1) and (2.1.2) above;
 - 2.1.4. depository receipts or other types of instrument relating to investments falling within (2.1.1), (2.1.2) or (2.1.3) above;
 - 2.1.5. unit trusts, mutual funds and similar schemes in the UK or elsewhere;
 - 2.1.6. options to acquire or dispose of investments including equities, futures, bonds and currencies (but excluding commodity options and options on commodity futures); and
 - 2.1.7. related or similar investments
- 2.2. You agree that we owe our duties to you as our client and not to your Investors, if any.
- 2.3. We will provide dealing services in relation to any of the investments referred to above, but will not give you any advice relating to your investment decisions and we will execute your order on that basis. We may provide related research (if requested by you) and valuation services and will arrange custody services for the Investors. We will not, however, manage or monitor your investments or notify you of corporate actions that do not require any action from you, although we may also provide such other services as are agreed between us.
- 2.4. Where any asset in your Account is a legacy asset that wasn't acquired by or through us or that has been acquired as a result of an instruction from you, or contrary to our advice to you or as a result of an instruction that falls outside of our agreed services mandate, then we shall be entitled, without further instruction from you or notification to you, to transfer such asset into a separately designated account (or sub-account) in your name with us or effect any other transaction on your behalf so that we can differentiate it from the investments that have been acquired pursuant to our agreed services mandate.
- 2.5. We are entitled to rely upon any information provided by you or by any other person with your authority unless we are aware that the information is manifestly out of date, inaccurate or incomplete. If you fail to provide any information requested by us or if you provide us with inaccurate information, we will not be able to open your Account, provide you with any services or enter into any transactions on your behalf.
- 2.6. You will be sent a contract note as soon as possible following the purchase or sale of any investment and no later than the first business day following execution. Valuations will be provided as at month end or within 25 days thereof.
- 2.7. Where you are acting as the agent for Investors and you select to receive the bundle of services described in these Terms and/or such other services as may be agreed with Credo, from time to time (the "Credo Platform Service") for and on behalf of the Investors, the Credo Platform Service is provided on an execution-only basis. The Credo Platform Service does not offer financial or investment advice or any personal recommendations, and we will not therefore consider the suitability or appropriateness of any transactions entered into. This means that you, as the agent for the Investors, are responsible for compliance with the FCA Conduct of Business Rules regarding suitability and appropriateness. If you do not accept this responsibility, you must ensure that the Investor is warned appropriately in accordance with the rules of the FCA set out in the FCA Handbook from time to time (the "FCA Rules").
- 2.8. Model portfolios
 - 2.8.1. Where you advise your Investors to invest in one or more of Credo's model portfolio of investments, we will not provide advice to your Investors in relation to any model portfolios. We will not therefore consider the suitability or appropriateness of any transactions entered into. It is your responsibility to advise your Investors in relation to the suitability and appropriateness of any model portfolio in compliance with the FCA Rules. It is also your responsibility to monitor each Account that is linked to such model portfolio(s) and to continue to assess the suitability or appropriateness of all transactions entered into (including those resulting from changes to the model portfolio(s) and rebalancing of each Account), on an ongoing basis and to ensure that the model portfolio and rebalancing are correctly applied to each account.



- 2.8.2. Where Credo decides both the asset allocation and the investments held within a model portfolio, then our role is to construct the model portfolio with asset allocations designed to represent certain investment objectives and risk profiles and select the investments to populate each model portfolio, at our discretion and in line with the principle of prudent diversification, where appropriate. We will review a model portfolio where we select the investments periodically as we consider appropriate. As a result of these reviews, we may instruct changes to the model portfolio(s). We may also periodically instruct a rebalancing of Accounts that are linked to the model portfolio(s).
- 2.8.3. Where you decide upon the allocation of model portfolios to be held in any Account or the asset allocation and/or the investments held within any Account that is linked to the model portfolio(s), then we will take instructions from you as to the creation of these model portfolios for that Account and changes to it, and rebalancing of that Account linked to these model portfolios. Where you instruct a rebalance of any Account linked to these model portfolios, this will result in transactions being applied to that Account to reflect the relevant model portfolio. We are not responsible for any loss arising from the choice of any model portfolio, or any reliance placed upon your services by your Investors. We do not accept liability for any action or failure to take action on the part of you or your contractors or agents.
- 2.8.4. We do not provide any express or implied warranty as to the performance or profitability of any model portfolio. Please note that any Account linked to a model portfolio and its performance may vary from that of the model portfolio due to, for example, differences resulting from the timing of investment or rebalancing, minimum transaction size limits, insufficient cash to pay for purchases, or the realisation of assets and/or withdrawals and we shall not be liable for any such discrepancies in performance.
- 2.8.5. We reserve the right to withdraw the availability of any model portfolios from the products that we offer to clients at our discretion if their continued availability becomes impossible or impractical in our opinion, including without being limited as a result of a change in legal or regulatory requirements, or any circumstance beyond our reasonable control and we shall not be liable for any loss that results. If this happens, this will result in any relevant Accounts being delinked from the withdrawn model portfolios and you will be responsible for continuing to provide advice to your Investors in relation to their Accounts.
- 2.8.6. You hereby acknowledge and agree that:
 - 2.8.6.1. you are responsible for ensuring that, where appropriate:
 - 2.8.6.1.1. each of the Investors has consented to the investment in a model portfolio; and
 - 2.8.6.1.2. you are acting in accordance with your authority from the Investors;
 - 2.8.6.2. you are responsible for:
 - 2.8.6.2.1. advising the Investors in relation to the suitability or appropriateness of any model portfolio in compliance with FCA Rules; and
 - 2.8.6.2.2. monitoring portfolios linked to a model portfolio and continuing to assess the suitability and appropriateness of all transactions entered into, including those resulting from changes to the model portfolio and rebalancing of portfolios linked to the model portfolio, on an ongoing basis; and
 - 2.8.6.2.3. compliance with the FCA Rules and other applicable law and regulations in respect of the business conducted by you in relation to the Investors;
 - 2.8.6.3. Credo's responsibility (to the Investors) is limited as set out in this clause 2.8.
- 2.8.7. You undertake to procure that whether through placing any dealing instruction or otherwise, you shall not do anything to interfere with or prejudice the application of the model portfolios or any rebalancing to your Investors' linked portfolios and shall take all steps necessary to ensure that at all times the model portfolios and rebalancing are correctly applied to your Investors' relevant portfolios in order to maintain their investment objectives and risk profile. This will include, in the event of any failed trades, taking corrective action as soon as possible in accordance with Credo's trading procedures.
- 2.8.8. Where you intend to charge the Investors fees in addition to Credo's fees, in respect of services provided in relation to model portfolios, you are responsible for agreeing those with the Investors and ensuring that all fees and charges are disclosed to the Investors in respect of portfolios linked to model portfolios, including Credo's fees and ensuring that the Investors agree that these amounts may be deducted and paid from their relevant portfolio(s) held at Credo. For further details in relation to charges, please refer to clause 11 below "Our Charges".

3. Appointment of Custodian

- 3.1. You confirm that:
 - 3.1.1. we have authority to
 - 3.1.1.1. engage one or more third parties, selected in our discretion, to provide clearing, settlement, safe custody, nominee and associated services for you and for the Investors who you introduce to Credo for this purpose and to change the third party we have selected without your consent (each, or where appropriate, collectively referred to as the **Custodian**) in connection with the investment transactions we execute or arrange for our clients and to hold related investments and cash. When we consider it necessary or desirable in connection with our services to you or the Investors, we may agree with the Custodian that it will also provide other services, such as investment dealing services, under the Custodian agreements that we have entered into with the Custodian, which covers both us and you as one of our clients; or



- 3.1.1.2. in our discretion, provide some or all of the services referred to in clause 3.1.1.1 to you or the Investors where we deem it to be in your interest that we provide any such services to you or the Investors where it would be uneconomical for the Custodian to do so or for any other reason whatsoever; and in such event, we will be included in the definition of "Custodian" where relevant;
- 3.1.2. we are authorised to enter into an agreement with the Custodian on your behalf as your agent on the terms summarised below (and such additional terms as we or the Custodian may determine);
- 3.1.3. we have your authority to give instructions to the Custodian on your behalf and to agree any subsequent amendments to the Custodian's agreement on your behalf;
- 3.1.4. you agree to be bound by the obligations to the Custodian as set out in these Terms or as otherwise agreed by us on your behalf, from time to time;
- 3.1.5. acceptance of these Terms will constitute the formation of a contract between you and us and also between you and the Custodian, where appropriate and where you are acting as agent for an Investor, between the Custodian and that client; and
- 3.1.6. you (and your Investors, where you are acting as agent) will be bound by the terms of the Custodian's agreement and the terms and conditions, processes and procedures of the Custodian whether notified to you or not.
- 3.2. In order to use our services under these Terms and those of the Custodian, you may be required to open one or more accounts with us and we will open an account on your behalf with the Custodian. To do so you may need to enter into one or more account agreements with the Custodian which will govern your relationship with the Custodian. Under the terms of the agreement with any Custodian, you will remain our client but may also become a client of the Custodian for clearing, settlement and custody purposes. We will provide you with copies of the necessary documentation for these purposes, where applicable. The account(s) that you open with us or with any Custodian is/are referred to in these Terms as "your Account".
- 3.3. The principal Custodian is currently Pershing Securities Limited ("Pershing UK"). Pershing UK is authorised and regulated by the FCA and is a member of the London Stock Exchange and Euronext-LIFFE. Pershing UK is registered in England, company number 2474912 and has its registered office at Capstan House, One Clove Crescent, East India Dock, London E14 2BH. Pershing UK is a subsidiary of the Bank of New York Mellon group of companies and may use a Group bank to hold client money on your behalf.
- 3.4. The Custodian does not provide investment advice, or give advice or offer any opinion regarding any transaction or order. Instructions relating to your Account should be given by you to us and not the Custodian. You should direct all enquiries regarding your Account to us and not to the Custodian. The Custodian will not accept instructions from you directly. The Custodian does not have responsibility for reviewing any Accounts for market abuse, insider trading and compliance with the FCA Rules and any other applicable legal and regulatory requirements to which we or you may be subject.
- 3.5. The Custodian reserves the right to refuse to open an Account for you or hold any securities on your behalf in its safe custody, to provide nominee services to you and reserves the right to close your Account, in its absolute discretion and without providing reasons therefor. In any such event, your agreement with the Custodian will terminate forthwith.
- 3.6. If you are a company or unincorporated association, your directors will be personally liable to the Custodian to the same extent as they would be personally liable to us.
- 3.7. Where you are acting as agent for any Investor who holds an account jointly or otherwise hold assets jointly, with any other person, then both of those joint holders shall have Joint and Several Liability (as defined in Annex 1) to us and/or the Custodian, where appropriate.
- 3.8. If you are an agent acting on behalf of someone else (whether or not that person (the "Principal"), has been identified to the Custodian as the person for whom you act) you will be treated as the Custodian's client under the FCA Rules and you will also be fully liable to the Custodian under these Terms as if you were acting for yourself. You and your Principal will be jointly and severally liable in the manner described above. In addition, you represent warrant and undertake to us and the Custodian on a continuing basis that;
 - 3.8.1. You have full power and authority to instruct us on these Terms and you have informed the Principal of these Terms and the Principal understands and accepts that it/he/she shall be bound to the Custodian by virtue of your role as agent and by your acceptance of these Terms;
 - 3.8.2. You have no reason to believe that any such Investor will not be able to meet any settlement or other payment obligation under these Terms or to believe that any such Investor is or is likely to become insolvent;
 - 3.8.3. At the time you instruct us to undertake a transaction for such Investor there are sufficient funds or assets under your authority to permit settlement and you will not subsequently execute transactions which could result in insufficient funds or assets being available;



- 3.8.4. To your knowledge any transaction undertaken for any such Investor will be its/his/her valid and binding obligation enforceable against it/him/her in accordance with its terms subject to bankruptcy and other applicable laws.
- 3.9. Corporate Actions
- 3.9.1. The Custodian will inform us of any rights issues, takeover offers, capital reorganisations, conversion or subscription rights (collectively "corporate actions") that affect or relate to investments held on your behalf by the Custodian or an Eligible Custodian (as defined in Annex 1). It will do so as soon as reasonably practicable after receiving notice of those events. We will, in turn, inform you. We will not, however, notify you of corporate actions that do not require any action from you.
- 3.9.2. You should contact us and not the Custodian if you need any advice in connection with any corporate actions. The Custodian is not responsible for taking decisions in relation to any corporate actions and will require instructions from us on matters such as:
- 3.9.2.1. exercising conversion and subscription rights;
- 3.9.2.2. dealing with takeovers or other offers or capital reorganisations;
- 3.9.2.3. exercising voting rights (where the Custodian exercises such rights on your behalf).
- 3.9.3. If any corporate action notification is given to you from the Custodian, you must ensure that you provide instructions to us, for onward transmission to the Custodian in sufficient time to ensure that the Custodian is able to act upon such instructions. The instructions given, their consequences, and the consequences of failing to give us instructions, will be entirely your responsibility. Neither we nor the Custodian is obliged to do more than give one notification on the relevant matter.

4. Settlement

- 4.1. All business transacted between us will be carried out in accordance with the standard settlement practices of the market and any other exchanges on which the business is transacted and you will be bound thereby as well as by the processes, procedures or terms of business of a third party ("Third Party Terms") through which we or the Custodian settles any business on your behalf and if a transaction has to be settled through a CCP or CSD the specific provisions set out in Annexes 2 and 3 shall apply. You warrant that all cash and investments held by or transferred to the Custodian are at all times beneficially owned by you or your Investors, if applicable, and are free from any charge, lien, pledge or encumbrance.
- 4.2. All payments and (if the Custodian does not already hold them) all share certificates and other documents required to settle your transactions must be delivered by you in time for the Custodian to complete settlement promptly and in this regard, as well as for any other obligation of yours to the Custodian, Time shall be of the Essence. Any amounts which you owe to us or to a Group Company or the Custodian and which we (or a Group Company) or the Custodian owe to you in connection with any Account you have with the Custodian or any Account you have with us (or a Group Company) may be set off against each other at any time and paid on a net basis without reference to you, including where we have taken assignment of any claims owed to a Group Company; provided that set off shall only operate in respect of same named Accounts that have the same underlying client, where appropriate. As far as Pershing UK's rights in this regard, please see clause 4.4 below.
- 4.3. Where Pershing UK is the Custodian:
- 4.3.1. Pershing UK reserves a right of retention with respect to all cash, securities or other assets of any description paid or delivered (or which are due to be paid or delivered) to Pershing UK for your Account and you confirm that all such cash, securities or other assets will be paid or delivered free and clear of any charge, lien or encumbrance and that you will not deal with any such cash, securities or other assets other than in accordance with these Terms without Pershing UK's prior consent.
- 4.3.2. In the event that Pershing UK does not receive cash or securities from you when due (as shown in the relevant contract note or advice) or in the event of you not taking all such steps as may be necessary to secure the due and prompt settlement of any such transaction (or Pershing UK reasonably considers that you have not or are unlikely to perform your obligations under these Terms), Pershing UK may, inter alia, without further notice to you, enter into any other transaction or do or not do anything which would or could have the effect of reducing or eliminating liability under any transaction, position or commitment undertaken for you.
- 4.3.3. Where for whatever reason you or where you are acting as agent for an Investor, the Investor is or we are in default of obligations to Pershing UK to make any payment of cash or delivery of securities or meet any other contractual obligations in respect of any transactions from your Account, then:
- 4.3.3.1. until such time as you or, as the case may be, we have, fully discharged the relevant obligations:
- 4.3.3.1.1. Pershing UK shall have no obligation to account to you, the Investor or any other person for any investments or cash received by Pershing UK or a third party (who will be an Eligible Custodian in accordance with the FCA Rules (or its nominee) for your or any account held or opened with Credo on behalf of an Investor (**Investor's Account**); and
- 4.3.3.1.2. neither you, the Investor nor any other person shall have any right, title or interest in or to (including any charge, pledge, lien or other security interest) any investment or cash received by Pershing UK or an Eligible Custodian (or its nominee) for your or the Investor's Account;



- 4.3.3.2. without any requirement to give any prior notice to you, the Investor, us or any other person, Pershing UK may:
 - 4.3.3.2.1. sell or otherwise dispose for value any investments received by it or an Eligible Custodian for your or the Investor's Account and apply the proceeds (net of costs) in discharge or reduction of the relevant obligations which are then due and payable, but unpaid; and
 - 4.3.3.2.2. apply any cash received by it or an Eligible Custodian for your or the Investor's Account in discharge or reduction of the relevant obligations which are then due and payable, but unpaid,
 and shall pay to you any surplus that is not so applied;
- 4.3.3.3. upon Pershing UK exercising its rights under clause 4.4.3.2 above, Pershing UK shall have no further obligation (and neither you nor we shall have any right to require Pershing UK) to account to you, the Investors or any other person for any investment or cash received by Pershing UK or an Eligible Custodian (or its nominee) under the relevant settlement. Any provision that purports to create any charge, pledge, lien or other security interest in or to investments or cash received by Pershing UK or an Eligible Custodian (or its nominee) under a relevant settlement shall be disappplied and be of no effect in relation to any such investments or cash. If the proceeds of such cash or investments are insufficient to cover the whole of your or the Investor's liabilities you will remain liable to Pershing UK for the balance.
- 4.3.4. Pershing UK's rights contained in this clause are created by way of reservation by Pershing UK under its right, title and interest in and to investments and cash received by it (or its nominee on behalf of Pershing UK) as being for your Account and not by way of grant by you or any person and accordingly, nothing in this clause is intended to, or shall, create any charge, pledge, lien or other security interest by you or any other person in favour of Pershing UK in or to any such investments or cash.
- 4.3.5. The rights reserved to Pershing UK by this clause 4.4 are cumulative with Pershing UK's right to assert any general lien or set-off against securities, cash or other assets (including documents of a title) held by or to the order of Pershing UK for you as continuing security for (i) all sums that become due from you or from us (insofar as they relate to any transaction for your Account) to Pershing UK; and (ii) the performance of any other obligation owed by you or by us (insofar as it relates to any transaction for your Account) to Pershing UK.
- 4.3.6. You hereby authorise Pershing UK to set off, transfer or apply (without prior notice) any indebtedness, liabilities or obligations of Pershing UK to you in or towards the satisfaction of any indebtedness, liabilities or obligations or any sum that is due from you to Pershing UK in any respect whatsoever (whether or not expressed in the same currency and including, without limitation, any payment of fees or charges due to Pershing UK and payments pursuant to any indemnity).
- 4.4. Where the Custodian is not Pershing UK, your Account will be subject to the same or similar custody rules as those set out in clause 3 and the Custodian may have security over your assets by way of retention of rights, security of assets or general lien. If you would like more information please contact your Relationship Manager.
- 4.5. In exercising any right or remedy pursuant to these Terms, we and the Custodian are authorised to effect such currency conversions and enter into such foreign exchange transactions with, or on your behalf at your own risk, at such rates and in such manner as we or the Custodian may, in our absolute discretion, determine. You acknowledge and accept that in exercising any right or remedy pursuant to these Terms, we and/or the Custodian, as the case may be, will be acting on our or its own behalf rather than executing your orders and neither we nor the Custodian will be liable to you (or your Investors, if applicable) in respect of any choice made in selecting the investments sold or the currency conversion made.
- 4.6. Transactions executed on your behalf may settle in the books of a CCP, CSD or other body or custodian combined with transactions for the account of other clients of ours. If this happens then the Custodian will allocate between our clients the cash or investments received by it or on its behalf as a result of the settlements in accordance with the client trades we have notified to it. If the Custodian receives cash or investments for trades that were intended to settle at the same time (but which, for whatever reason, do not do so), then the Custodian will allocate that cash or investments received by it on the following basis:
 - 4.6.1. in accordance with any priority for settlements determined by the Custodian prior to the transactions taking place;
 - 4.6.2. if transactions have the same priority, then the allocation will be in order of time, by reference to the intended settlement date of the transaction which we specified to the Custodian, so that the earliest in time will settle first in each case;
 - 4.6.3. where transactions have the same priority and intended settlement date, then the allocation will be by value so that the larger or largest trade by value (not by number of units or size) will be settled first in each case;
 - 4.6.4. where these allocations are necessary, they will also be subject to the operation of the relevant CCP, CSD, custodian or other entity. Such operations may include a netting rule or practice, automatic splitting of unsettled transactions or other automatic aggregation, splitting or allocation.
- 4.7. The Custodian may, among other things and without giving you further notice:
 - 4.7.1. enter into any other transaction (including those with the effect of closing-out a position, or reversing or cancelling a transaction previously entered into);



4.7.2. take or refrain from taking further action, which it considers would, or could, reduce or eliminate any liability under any transaction undertaken for you. The Custodian may take similar action where it reasonably considers that you have not, or are unlikely to perform your obligations under these Terms.

5. Your Money

- 5.1. Your money will normally be held by us or the Custodian in a client bank account segregated from its own funds, unless the Custodian is a bank. However, if you so instruct us, we may hold your money in a client account with us where such money will be segregated from our own funds and will be held in accordance with the FCA's Client Asset Rules. When considering where a client bank account should be, we/the Custodian will exercise due skill, care and diligence and will periodically review the adequacy and appropriateness of any bank or credit institution where your money is deposited and of the arrangements for holding your money. These requirements will not apply where your money is held with a central bank of a country. It is important to note that neither we nor the Custodian is responsible for any acts, omissions or default of a credit institution or bank chosen by us/it but only for taking care in our/its choice and monitoring. The Custodian may use a bank which is affiliated to it to hold client money on your behalf. Please refer to the provisions of Annex 3 which will apply if your money is held by a credit institution or bank outside the UK or EEA.
- 5.2. In the event that your money is held by us or the Custodian outside the UK, the legal and regulatory regime applying to such money may be different to that of the UK and in the event of our or the Custodian's default, your money may be treated differently to the way in which it would be treated if it was held at an account in the UK.
- 5.3. "Free Money" (i.e. money not immediately required to settle a purchase), will attract interest at a rate to be negotiated by the Custodian and the relevant bank, after consultation with us. However, the amount of any interest on client money that would be credited to you and made available to you, will be determined by us and the Custodian, and will be notified by us to you from time to time. Where client money is held by the Custodian, we share a proportion of the interest earned or paid on client money with the Custodian after consultation with the Custodian. Credit interest, calculated on a daily basis, will be credited every six months in arrears by Pershing UK. We and the Custodian may decide not to credit you with the interest until it reaches a minimum threshold amount of £10 for a six month period. Debit interest, calculated on a daily basis, will be debited monthly. Where your money is held by the Custodian, we share with the Custodian a proportion of the interest earned or paid on Free Money or on debit interest in excess of the rate that you may receive from time to time. Further details can be made available to you on request. Where client money is held by us acting as Custodian, any interest earned shall be retained by us.
- 5.4. Client money in a foreign currency may be held in the country of origin, or the sterling equivalent in a UK bank. Money held in the country of origin will be held by an approved bank or depository, even though in a small number of countries, that bank or depository may fail to acknowledge that clients' funds will be afforded trust status and as such has not accepted that it has no right of set off or counterclaim against money held in that client account, in respect of any sum owed on any other account of the Custodian.
- 5.5. In certain circumstances, we or the Custodian may hold your money in a bank outside the UK which does not meet the criteria of an approved bank. These circumstances are governed by strict conditions set out by the FCA. Any client money held for you at non-approved banks outside the UK must relate only to the settlement of transactions or the distribution of income. Client money will only be held in such banks because it is not possible to use approved banks due to the applicable law or market practice. In these circumstances, your money will only be held in such banks for as long as it takes to effect the necessary transactions.
- 5.6. We may undertake a transaction for you that involves your money being passed by us or the Custodian to any third party in connection with that transaction, including (but not exclusively) an exchange, clearing house, intermediate broker, settlement agent or OTC counterparty located either in the UK, or in a jurisdiction outside the UK. In the event of your money being passed to a third party, including (but not exclusively) an intermediate broker, settlement agent or OTC counterparty, outside of the UK, the legal and regulatory regime applying to the intermediate broker, settlement agent, or OTC counterparty may be different to that of the UK. In the event of a default of that entity, your money may be treated differently to the way it would be treated if it were held in the UK.
- 5.7. In certain circumstances, we or Pershing UK may hold client money for you which has been allocated to you but has not been claimed by you. We or Pershing UK, as the case may be, will cease to treat as client money any unclaimed balances after a period of six years. This will only occur, however, if we or Pershing UK have taken reasonable steps to determine that there has been no movement on the balance during this period (notwithstanding any payments or receipts of charges, interest or similar items). We or Pershing UK will attempt to contact you at your last known address and you will be given 28 days from the date of notification of the intention to cease to treat the balance as client money, to make a claim. You should note that each Custodian (that is subject to the FCA Rules) undertakes to make good any valid claim against balances that were released from being treated as client money, upon the provision by you of information to evidence the validity of your claim.
- 5.8. As any offshore Custodian used by us is regulated outside of the UK, their rules relating to unclaimed monies and assets are different to ours and Pershing UK's. Accordingly, these Custodians will or may treat money and assets as unclaimed in accordance with the relevant laws of their own jurisdiction. Failure to keep us or such Custodians informed of a current address for you or your underlying client may result in your Account being designated as abandoned property and the monies and assets held in it may subsequently become the property of that Custodian



- or of the offshore state in accordance with their local laws. All requests to change your address must be accompanied by written authorisation signed by you.
- 5.9. Sometimes we or the Custodian will undertake a transaction for you which requires your money or investments to be passed to a Relevant Party (as defined in Annex 1) in order to meet the obligations under that transaction or as Margin or Collateral. When a Relevant Party is involved then any money or investments passed to the Relevant Party may be at risk in the event of its insolvency. By accepting these Terms, you acknowledge that this is the case.
 - 5.10. We and the Custodian will not lend your investments or use them to raise finance.

6. Custody of Your Investments

- 6.1. You will introduce the Investors to us for the purpose only of enabling us to arrange the custody services with the Custodian. Nothing these Terms shall be interpreted as permitting you to enter into your own arrangement with the Custodian for the provision of the custody services.
- 6.2. Investments in registrable form which are purchased through us will be registered or otherwise recorded in the name of a nominee controlled by or selected by the Custodian or in the circumstances referred to in clause 6.12, in your own name.
- 6.3. Acceptance of these Terms provides authority for the Custodian to transfer securities from your or the Investor's Account to meet sales affected for your or the Investor's Account, acceptance of offers or other matters covered by these Terms.
- 6.4. Registered securities which the Custodian is holding for you or the Investors will be held either in their physical possession or in uncertificated form in CREST and if so will be registered in the name of a nominee company controlled or selected by the Custodian. In the case of UK registered Unit Trusts, the units will be held in uncertificated form either by the Unit Trust Manager, the Unit Trust's administrator or registrar and will be registered in the name of a nominee company controlled or selected by the Custodian.
- 6.5. In most circumstances our Custodians are responsible for the acts of their nominees to the same extent as for their own acts, including, for the avoidance of doubt, for losses arising from fraud, wilful default or negligence, but not necessarily if the nominee is not part of the Custodian's group of companies.
- 6.6. Should you instruct us in writing that investments purchased through the Custodian are to be registered in the name of some other person whom you specify, the consequences of registration carried out in accordance with your instructions are entirely at your own risk. The legitimacy of such registrations also remains your responsibility.
- 6.7. Investments belonging to you which are held overseas may be subject to different settlement, legal and regulatory requirements than those which apply within the UK. If a transaction is undertaken on your behalf on non-UK markets, the specific provisions set out in Annex 3 shall apply.
- 6.8. You consent to the fact that overseas investments may be registered or recorded in the name of the relevant Custodian, or in our name in one or more jurisdictions outside of the UK, where, due to legal requirements or the nature of market practice in the jurisdictions concerned, it is in your best interests, or it is not feasible to do otherwise. As a consequence of this, your investments will not be segregated from investments belonging to the Custodian and therefore, your protection may be less should a default occur on the part of the person in whose name the investments belonging to you are so recorded.
- 6.9. Investments registered or recorded in the name of a nominee company may be pooled with those of our other clients. Accordingly your individual entitlements may not be identifiable by separate certificates, physical documents or entries on the register. In the event of an irreconcilable shortfall following any default by the Custodian, you may not receive your full entitlement and may share in that shortfall pro-rata. A further effect of pooling can be that following a corporate action your allocation may be less than it otherwise would have been, had your investments been registered in your name.
- 6.10. Where your investments are held on a pooled basis, additional amounts of stock may arise that would not otherwise have arisen had such investments been registered in your own name (for example, following certain corporate actions). You are not entitled to these additional amounts. Any fractional cash entitlement may therefore be reduced due to our clients' combined holding in the pooled account. The Custodian allocates such shares to an account which we administer and may use them to offset against any debits arising on dividends or other corporate actions.
- 6.11. The nominee company or sub-custodian which the Custodian may use for holding your investments may be another company in the group of companies to which it belongs, or in very few circumstances it may be another Custodian altogether.
- 6.12. You should note that, in extremely restricted circumstances, investments held by the Custodian on your behalf may be registered in your own name or the name of the Investor, as the case may be, usually where law or market practice dictates, or where it has been specifically agreed between the Custodian and us that the option for such registration will be provided, and where this occurs you shall remain responsible for the consequences of any such registration. In some situations, for example where the rules of a particular market or CSD require, the Custodian will register your investments in the name of an Eligible Custodian. When your investments are held by a depository or an Eligible Custodian, such depository or Eligible Custodian may have rights against your investments, which may include:
 - 6.12.1. security rights over them including but not limited to a mortgage or charge;
 - 6.12.2. rights to withhold or retain them, such as by way of a lien;
 - 6.12.3. other rights to have the asset paid or transferred to them or to prevent a transaction involving such asset from going ahead; and/or
 - 6.12.4. rights to be paid any or all of the proceeds of a transaction involving the asset.
- 6.13. The Custodian will be responsible for claiming and receiving dividends, interest payments and other rights accruing.



- 6.14. In so far as may be applicable to the investments held for your Account from time to time, we will be responsible for instructing the Custodian on your behalf to:
 - 6.14.1. exercise conversion and subscription rights;
 - 6.14.2. deal with takeovers or other offers or capital changes; and
 - 6.14.3. exercise voting rights; provided that neither we nor the Custodian shall be obliged to notify you of any annual or extraordinary general meetings.

Please note that the Custodian will not accept instructions directly from you. You must provide us with instructions in relation to such matters by the time notified to you. Any failure on your part to notify us within the stated time will remain your responsibility.

- 6.15. Generally bearer investments are not accepted by us however please note that in the event that they are accepted, any bearer investments may not be held by our Custodians, but by an Eligible Custodian.
- 6.16. The Custodian does not accept responsibility, in the absence of its own or any affiliated company's fraud, negligence or wilful default, for the safe custody obligations of any third party, but prudence will be exercised in the selection of such agents.
- 6.17. Some companies provide benefits to shareholders relating to the nature of their business. These benefits will not necessarily be available to you automatically, as your stock will be registered in the name of a nominee company. Should you wish to receive these additional benefits, you should make the necessary arrangements with your broker.
- 6.18. All instructions regarding the administration of investments held by the Custodian on your behalf should be made to us in the manner we prescribe from time to time, for onward transmission to the Custodian. We do not accept instructions from or send instructions to third parties, unless a valid power of attorney has been established for this purpose.
- 6.19. You will receive a regular custody statement as required by the relevant regulations, listing the investments held on your behalf by the Custodian. This statement will also provide details of any cash balance held for you as client money by the Custodian. The value of any stock held as collateral, as identified on the annual statement is calculated using the mid-market closing price at the close of business on the date of the valuation. Holdings are reported on a trade date basis.
- 6.20. Fees and charges in respect of the custody services will be as set out in the Schedule of Charges.

7. Exchange Control

- 7.1. Where you or any underlying client is resident in South Africa, your and their attention is drawn to the fact that in accordance with the provisions of the Exchange Control Regulations, 1961, issued under the Currency and Exchanges Act, 1933 of South Africa ("ECRs") and the Exchange Control Manual issued by the South African Reserve Bank which contains certain allowances that are applicable as at the date of these Terms in relation to the ability of different categories of investors to transact in foreign investments, namely authorised dealers, private individuals, companies and institutional investors. Accordingly, you and/or the underlying client, as the case may be, should obtain your/their own advice as to whether you/they are entitled to participate in any investment outside of South Africa. If you are or the underlying client is in any doubt as to whether your or their participation in or your or their acceptance of any foreign investment is subject to the ECRs you/they should obtain your/their own advice from an authorised dealer or other professional advisor.
- 7.2. Notwithstanding the foregoing, we give no warranty and make no representation in relation to the current position under the exchange control or other laws of South Africa or any other country that has exchange control laws and the above summary is issued for your convenience only.

8. Away Assets

- 8.1. We may, in our sole discretion and from time to time, at your request include in your portfolio with us, assets that you own that you have bought through us or via an external party or that we have introduced you to such as private equity and property, but that are not held by one of our Custodians ("Away Assets").
- 8.2. Away Assets will be reflected on Credo's on-line reporting system known as "MyCredo", either at the value that you give to us or at its market value where it is listed (and in the latter case, we may in our discretion update the value). You agree to advise us in writing if there is any change to those Away Assets.
- 8.3. You agree that we have no:
 - 8.3.1. liability to you in respect of the performance of the Away Assets;
 - 8.3.2. liability to you in respect of any information that appears on MyCredo in respect of Away Assets (including the value and the performance of the Away Assets);
 - 8.3.3. obligation to monitor or verify Away Assets;
 - 8.3.4. obligation to advise you of corporate actions or to take any action in respect of Away Assets;
 - 8.3.5. obligation to reflect any changes in the Away Assets in MyCredo, save as advised by you and then, only at such intervals as may be agreed upon; or
 - 8.3.6. obligation to include the Away Assets in any performance review we undertake, and you indemnify us and hold us harmless against any claims, actions, liabilities, losses, damages, demands, costs and expenses we may incur directly or indirectly as a result of us reporting on such Away Assets.
- 8.4. Reporting on Away Assets is not a core service provided by us and it will only be considered on a case by case basis. Only in the event that it applies to you shall we agree a fee with you for the provision of this service.



9. Anti-Money Laundering and Anti-Bribery

- 9.1. You represent and warrant that you comply with and will at all times in the future comply with any laws and regulations relating to the prevention of money laundering and the countering of terrorist financing ("CTF") in the UK and in your local jurisdiction, where appropriate.
- 9.2. If you are a regulated financial services institution in the European Union or a member of the Financial Action Task Force, we will deal with you on the understanding that you comply with all regulations relating to money laundering, that you will have obtained evidence as to the identity of any of your Investors for whom you act (and where appropriate the underlying beneficiaries), will have recorded such evidence, that you will make available on request any such evidence to us and/or any such letter of comfort that we may require in this regard.
- 9.3. You should be aware that to fulfil our obligations with respect to the relevant anti-money laundering ("AML") and CTF laws and regulations from time to time, we may ask you to supply us with documentation as proof of your identity and/or that of any Investors (and where appropriate the underlying beneficiaries). To this end, we may use an independent agency to assist us in verifying such identities. You accordingly agree that we may undertake a search with Experian/Experian QAS (or any such other independent agency) (the "Agency") for the purposes of verifying your or any Investor's identity (and where appropriate the underlying beneficiaries). To do so, the Agency may check personal details against any particulars on any database (public or otherwise) to which they have access and you understand that a record of the search will be retained by the Agency and by us. Unless or until necessary evidence of identity can be obtained we shall be entitled to return or freeze your investments or those of any Investors (if applicable).
- 9.4. You confirm that all information you supply pursuant to this clause 9, will be accurate and that we may pass on such information as we consider necessary to comply with any reporting requirements.
- 9.5. You agree that we may disclose to the FCA and to any other regulatory authority to which we are subject and to any investment exchange on which we may deal or to its related clearing house (or to investigators, inspectors or agents appointed by them), or to any person empowered to require such information by or under any legal enactment, any information they may request or require relating to you or if relevant any of your Investors or the underlying beneficiaries.
- 9.6. Where Credo relies on you to carry out any customer due diligence ("CDD") on our behalf, we reserve the right to carry out random checks of the evidence of identity and other information that you hold in respect of the CDD that we are relying on you to carry out.
- 9.7. It is the policy of Credo and its Group Companies to comply with all legal obligations imposed on it in connection with bribery and corruption (including but not limited to the UK Bribery Act, 2010). To the extent that any such applicable obligations apply to you in providing regulated services and introducing business to Credo, you warrant, represent and agree that you are compliant and will remain compliant with the applicable obligations and that you shall regularly audit and test such compliance and report to Credo promptly in writing any breaches of such compliance as may be relevant.

10. Client Representations

- 10.1. By your acceptance of these Terms you represent and warrant to us that:
 - 10.1.1. the monies and other assets which are the subject of these Terms are either beneficially owned by you (and not by any third party) or are owned, managed, held or administered by you on terms that confer upon you the power to appoint us subject to these Terms and do not constitute the proceeds of any activity which is illegal or unlawful under the laws of any applicable jurisdiction or which would be illegal or unlawful if it occurred in the UK;
 - 10.1.2. you, or your Investors if applicable, are over the age of 18 or you, or your Investors, if applicable, are the lawful representative of any person under the age of 18;
 - 10.1.3. you take full responsibility for and have, where necessary, obtained independent tax advice and correctly discharged your tax liabilities in all applicable jurisdictions;
 - 10.1.4. you will notify us immediately should you wish to open an account with us for any person who is resident in the United States of America and you acknowledge that we shall not be obliged to open any account and shall be entitled to close any account for a person who is resident in the USA;
 - 10.1.5. any information provided to us by you is complete, accurate and not misleading in any material respect and you agree to notify us should such information change in any material respect; and
 - 10.1.6. you comply with all of your local laws and regulations (where applicable) as well as the laws and regulations that apply to your trading activities in other jurisdictions (where applicable).
- 10.2. Trustee as Client
 - 10.2.1. Where your underlying client is acting as a Trustee on behalf a trust (the "Trust"), as well as being jointly and severally liable to the Custodian in the way described in clause 3.7 above, the Custodian will treat the Trustees as its client and not any beneficiary of the Trust. We shall warrant to the Custodian that:
 - 10.2.1.1. We will only cause the Custodian to be obliged to settle any transaction where we have full management control and full authority to instruct use of sufficient of the assets or cash of the Trust to meet any obligation incurred by the Custodian on behalf of the Trust and that we have full authority to direct the Custodian, if any, of the underlying customer's assets and cash to

- ## 11. Our Charges

- 12



with adequate information regarding these dealing arrangements, if any, on an annual basis, in accordance with the FCA Rules.

- 11.7. Where you have been introduced to us by a third party or there is an intermediary who acts as your agent, we may share some of our fees with that third party. In that event, you will not be charged any additional fees and insofar as our:
 - 11.7.1. stockbroking and asset management services are concerned, we will share a percent of the net stockbroking fees and/or the asset management/advisory fees that we charge, as set out in our Schedule of Charges from time to time; and
 - 11.7.2. property investments are concerned, we will make an upfront payment equal to a percentage of the equity introduced and an annual commission calculated as a percent of your net equity.
- We undertake to provide you with further details of the commission paid to the third party on request.

12. Your Instructions

- 12.1. We and/or the Custodian shall be entitled to rely on and treat as binding any instructions which we believe to be from you which we have accepted in good faith. Once given, instructions may only be withdrawn or amended with our consent.
- 12.2. Your authorised representative may give us trading instructions by telephone or by email from a recognised email address. If any instructions are received by us by:
 - 12.2.1. telephone, we will ask your authorised representative certain questions in order to identify him/her in accordance with our telephone verification procedures, from time to time; or
 - 12.2.2. email, we may ask you to confirm such instructions in writing signed by the duly authorised signatories. We shall be authorised to follow instructions notwithstanding your failure to confirm them in writing.
- 12.3. We may at our discretion refuse to accept an order from you where we have failed to verify your authorised representatives in accordance with our telephone verification procedures or until all documentation required to carry out the order has been received by us.
- 12.4. We reserve the right to refuse to effect any transactions, but will notify you of any such refusal, without giving specific reasons, promptly following receipt of your instructions.
- 12.5. Although we will endeavour to implement your instructions in a timely manner, you agree that we are not liable for any loss or damage you or your underlying client may suffer which has resulted either directly or indirectly from our delay in carrying out your instructions, where that delay is due, inter alia, to:
 - 12.5.1. our suspicion that a financial crime may have been or will be committed;
 - 12.5.2. a Third Party's Terms (including those of the Custodian) which we are bound by, whether or not you have been advised thereof; or
 - 12.5.3. your instruction having been received by us outside our normal hours of operating (between 9am and 5pm UK time Monday to Friday, excluding bank and public holidays in the UK).
- 12.6. You agree that we may send to and receive information (including statements) from you relating to you or your Account using email or other electronic media. All communications shall be in English unless otherwise agreed in writing and all communications to you (regardless of the method of delivery) will be sent at your risk.
- 12.7. Because you are an Eligible Counterparty client under the FCA Rules, the Custodian may agree to accept instructions directly from you, but only if there has first been a separate specific agreement with the Custodian setting out the manner in which instructions will be given and other relevant conditions, including clarification of your investment mandate and/or any other assurances that the Custodian may require, and also only if we are unable to instruct the Custodian ourselves (for whatever reason) or we agree that you may do so.
- 12.8. Normally we will be responsible for executing any order or transaction on your behalf. This means that the Custodian will not owe you a duty of best execution under the FCA Rules or otherwise when it carries out transactions executed by us on your behalf. Notwithstanding your categorisation as an Eligible Counterparty we shall nonetheless provide you with best execution and we shall be responsible for any decision to aggregate transactions for you with those of other people.
- 12.9. We may sometimes agree with the Custodian that it is to execute transactions for your Account when we transmit orders to it. If we do this, we have agreed that, rather than you, we may be the Custodian's client for the purposes of the FCA Rules. In order for the Custodian to provide dealing services for your Account, you need to ensure that:
 - 12.9.1. where you are buying investments, there is sufficient cash in your account; and
 - 12.9.2. where you are selling investments, documents of title or transfer forms that are required are delivered to the Custodian,

in either case, prior to the execution of the transaction by the Custodian.

 - 12.9.3. If you have any questions or concerns relating to your Account with the Custodian, you should tell us and we will deal with the Custodian on your behalf. You should not contact the Custodian directly.

13. Aggregation of Orders

We may combine your orders with the orders of other clients, Group Companies or persons connected with us. We will do so only if we reasonably believe that you will obtain a no less favourable outcome than if your order had been executed separately. However, on occasions aggregation may result in your obtaining a less favourable price.



14. Telephone Calls

- 14.1. You agree that we may telephone you on a solicited and unsolicited basis to discuss investments and other investment services which we think will be of interest to you.
- 14.2. Please note that telephone conversations between us will be recorded in accordance with the FCA's requirements and will be done without the use of a warning tone. These recordings are our sole property and may be used in evidence in the event of a dispute or any other matter.

15. Payments to and from Third Parties

In order to comply with laws and regulations relating to the prevention of money laundering we will refuse to pay money or transfer stock out of your Account to any third party and will refuse to receive money into your Account from any third party other than from an account in your name at your bank or as determined by our Compliance Department from time to time.

16. Closure of Accounts

- 16.1. Where you instruct us to close your Account, please be aware that the provisions of clause 26 will apply and we shall be entitled to execute any instructions that have been received by us but that have not yet been actioned, unless you request us not to do so and we agree to that request pursuant to clause 12.1.
- 16.2. In the event that an Account remains inactive or dormant for a period of more than twelve months, or in our absolute discretion we deem it to be uneconomic to operate, we reserve the right to close the Account and if this is the case we shall provide you with 28 days' written notice of our intention to do so.
- 16.3. In such circumstances we will give this notice to you at the last known correspondence address for you that we have a record of and subject to the provisions of clauses 5.7 and 5.8 after deducting our fees and expenses, liquidate all assets in your Account and return the monies, if any to the bank account from which we originally received your money (if possible). Where we exercise our right to close short positions you will be liable for any resulting losses, costs or expenses incurred.
- 16.4. We shall be entitled to sell any asset in your Account for the purpose of paying our fees and expenses and/or to reimburse us for any losses, costs or expenses referred to in clause 16.3 before returning the balance of the monies to you. Where it is not possible to liquidate some or all of your assets, we shall be entitled to deliver the asset(s) to you.
- 16.5. Closure of your Account may also occur at the discretion of the Custodian. In such situations this clause 16 shall apply insofar as it is compatible with the Custodian's own procedures relating to the closure of accounts.

17. Conflicts of Interest and Independence Policy

- 17.1. Your attention is drawn to the fact that when we execute an investment or transaction for your Account, we, a Group Company or some other person connected with us may have an interest, relationship or arrangement, such as that described in clause 17.3 below, that is material in relation to the investment or transaction concerned or could give rise to a conflict of interest and you agree that we shall not be required to disclose it to you.
- 17.2. Our employees are, however, required to comply with a policy of independence and disregard any such interest, relationship or arrangement when dealing for you and our conflicts policy is set out on our website at www.credogroup.com.
- 17.3. When we enter into a transaction for you, we or one of our Group Companies could, for example, be:
 - 17.3.1. matching your transaction with that of another client by acting on his behalf as well as yours;
 - 17.3.2. buying investments where we are or a Group Company is involved in a new issue, rights issue, takeover or similar transaction concerning the investment or a related investment;
 - 17.3.3. holding a position in the investment or a related investment; or
 - 17.3.4. executing or arranging for transactions on behalf of or in the name of any company involved in the transaction.

You hereby expressly agree that we and the relevant Group Company may do so and, subject to clause 17.6 below, we are not required to account to you for any income, gain, profit, benefit or other advantage arising from doing so provided that we do not contravene the FCA Rules in relation to the price or execution of the transaction, where applicable.

- 17.4. We may in our absolute discretion decline to execute any transaction, if we or any Group Company have an interest which will or may conflict with your interests.
- 17.5. We will be entitled from time to time, at our absolute discretion, to delegate to any person or entity the performance of any of our duties, functions or powers.
- 17.6. Further to clause 11.4 above, for certain investments, we may receive Commission in connection with any service or transaction provided or entered into by us on your behalf and where we are not prohibited by any relevant FCA Rules, we may retain such benefit. We undertake to provide you with further details of any such benefit that we receive on request.
- 17.7. The Custodian, its associated group companies (associates) or nominees may provide services or enter into transactions under these Terms in circumstances in which the Custodian or its associates have a material interest. This interest could be direct or indirect and the Custodian or its associates could also have a relationship with



someone else, which may involve a conflict of interest or potential conflict of interest with you. This clause 17 shall apply to the Custodian to the same extent that it applies to us.

18. Third Parties

- 18.1. We will provide our services to you on the basis that only you are our client (unless otherwise agreed in writing with you or where clause 18.2 or 18.3 applies) and so, if you act on behalf of another person, whether or not you identify that person to us, that person will not be our indirect client for the purposes of the FCA Rules.
- 18.2. If you authorise another person (the "Third Party") to give instructions to us on your behalf in respect of any Account, you must provide us with some form of authorisation acceptable to us. In such event (and unless there is a clear indication to the contrary) your right to give instructions in respect of that Account is not extinguished. Accordingly, where there is a dispute between the instructions you have given us and the instructions of the Third Party, we will be entitled to act on your instructions and to ignore those of the Third Party.
- 18.3. You must notify us in writing of the identity of the persons who are authorised to give us instructions and the extent of their authority; it being recorded that unless there is a specific statement to the contrary, we will assume that a Third Party only has authority to provide trading instructions and does not have the right to provide instructions for the payaway of funds from the Account or the transfer of assets out of the Account, save to an account in the same name as the Account Holder(s). This notification must be signed on your behalf by a duly authorised signatory. In the absence of any such notification, we will be entitled to act on any instruction given to us by any person whom we reasonably believe is authorised to give it.
- 18.4. You agree that we will not be liable to you in any way for any loss or damage suffered by you as a result of us acting on any instruction, consent or information given to us by anyone whom we reasonably believe to be authorised to give instructions on your behalf or the Third Party and subject to clause 20.1 below, you indemnify us and hold us harmless against any loss, damage, expense or costs we may suffer or incur as a result of a claim by the Third Party against us whether as a result of us acting or not acting on the instructions of the Third Party in the circumstances referred to in clause 18.2 above, or otherwise howsoever.

19. Confidentiality and Data Protection

- 19.1. The Custodian and/or Group Companies may hold all the information you provide on computer for administration, marketing and risk assessment purposes. We may search the files of credit reference agencies and/or other databases (including the searches referred to in clause 9.3) which will record the search. In order to provide you with the best possible service we will share your information with the Custodian or other Group Companies, where appropriate. If you do not wish your information to be used for marketing, please let us know at our registered address.
- 19.2. For the purpose of Data Protection legislation as amended from time to time, you agree that we, the Custodian and our Group Companies may process personal data relating to you and your Investors (using computer systems or otherwise) in carrying out our duties under these Terms.
- 19.3. In the interests of safeguarding your personal data and that of your Investors, your portfolio reports, statements and contract notes will be sent only to you unless you have specifically requested us to send them to a third party. You agree that where you have requested portfolio reports, statements and contract notes be sent to a third party, it will be done at your own risk.
- 19.4. Any offshore Custodian used by us has no obligation to maintain or make available records following the termination of any relationship between us, unless they are otherwise required to do so by applicable local law or to enable us to comply with a reasonable request from our regulator or to enable them to answer a client complaint; provided that where such offshore Custodian will make the information available to us, at a cost, you shall bear such cost. Notwithstanding the above any records that are issued to us by an offshore Custodian will be retained in accordance with our legal and regulatory requirements for a minimum period of six years following the termination of our relationship with you.
- 19.5. You shall not be entitled to use or divulge to any person any confidential information that we provide to you or you discover about any Custodian or any Group Company or concerning any investment made by us on your behalf or held through us or concerning or owned by any investment vehicle in which you hold an investment which we have facilitated for you or which we have discussed with you or which you have discovered as a result of your relationship with us.

20. Exclusion of Liability and Indemnity

- 20.1. Subject to our duties and liabilities under the Financial Services and Markets Act 2000 ("FSMA") and the FCA Rules neither we nor any Custodian shall be liable for any actions, proceedings, claims, losses, costs, damages, demands, liabilities, expenses (including legal costs), duties and taxes (collectively referred to as "Loss") suffered by you or your Investors, if applicable, in connection with the provision of any services (including our completion of or guidance in relation to the completion of any IRS forms, if applicable) to which these Terms or the Third Party Terms apply, or where any Loss is caused by:
 - 20.1.1. material breach by you of these Terms;
 - 20.1.2. default or failure by you to make a delivery of investments or payment when due; or
 - 20.1.3. any challenge to the validity of, or requirement for proof or ownership, or in respect of any fraud or forgery in relation to any investments delivered to the Custodian by you or on your behalf, or in relation to any



- document of transfer regarding such investments. This will include any electronic instruction or information, which appears to transfer such investments,
- except to the extent that any such Loss results directly from our or (as the case may be) the Custodian's negligence, fraud or wilful default and neither the Custodian nor we shall, in any event, be liable to you (or your Investors, if applicable) for any indirect or consequential loss or loss of profit, goodwill, opportunity, business, anticipated savings, revenue and reputation howsoever arising and regardless of whether it was foreseeable or not.
- 20.2. For the purposes of these Terms, indirect or consequential loss shall include any loss, liability or cost which you or your underlying client may suffer or incur arising from:
- 20.2.1. your inability to sell investments where the relevant price is falling or from your inability to purchase investments where the relevant price is rising, or from your inability to settle execute or complete another transaction that requires you to have disposed of or purchased the relevant investment, howsoever arising and regardless of whether it was foreseeable or not;
 - 20.2.2. damage to data or loss of data or loss arising out of our failure to keep full and up-to-date security copies of your data; and
 - 20.2.3. any inaccurate or incomplete information displayed in the data we hold on your Account, including client reports or statements whether posted to you or available to view online.
- 20.3. We accept no liability for any loss that may result from your classification or that of any underlying client at any time as a US Person.
- 20.4. In no circumstances do we advise on the tax consequences of any investment we make on your behalf or at your request nor of the IRS documentation that you and your Investors are required to complete, nor do we accept any liability or responsibility for any tax consequences of any such investment or of our actions carried out within the scope of our authority in terms of these Terms, nor for any costs, charges or losses you or any underlying client may suffer or incur as a result of any such investment, the completion of any such IRS documentation or our said actions.
- 20.5. In the event that we provide guidance on the completion of the IRS documentation, we do so at your risk and we make no representation that the information we have provided is accurate or up to date. It is your responsibility to take your own advice as to the completion of any such IRS documentation or other tax documentation, whatsoever.
- 20.6. Where you give us authority to complete any tax documentation (including IRS documentation) on your behalf or on behalf of the Investors, if any, we shall do so on the basis of the information that you provide to us and you indemnify us fully against all Loss (as previously defined) which we may sustain or incur as a result of any action taken by us in good faith pursuant to such authority (including: any claim made by an underlying client who has incurred a financial penalty, cost, expense or loss as a result of any information submitted to the IRS as a result of the execution of the IRS documents by us; or any cost incurred by us in enforcing this indemnity).
- 20.7. Where you have instructed us on behalf of your Investors, we will not be provided with your Investors' financial and investment information and accordingly we will not be in a position to consider the suitability or appropriateness of any investments made or transactions entered into by you for your Investors. It is your responsibility to advise your Investors in relation to the suitability and appropriateness of any investments made or transactions entered into. We do not accept liability for any action or failure to take action on your part in the assessment of the suitability or appropriateness of any investments made or transactions entered into by you on behalf of your underlying clients.
- 20.8. We do not accept any liability or responsibility for any loss, liability or cost which you might suffer or incur in relying upon any research, opinions or information that we may provide from time to time.
- 20.9. You hereby undertake to hold harmless and indemnify us against any Loss (as previously defined) which may be incurred by us or the Custodian either directly or indirectly in the proper exercise of our or the Custodian's powers and duties and/or arising as a result of your breach of the Agreement. This indemnity will not apply in the case of liability or expense arising from a breach of the FCA Rules or the FSMA or negligence, fraud or wilful default by us or (as the case may be) the Custodian.
- 20.10. This clause shall survive termination of these Terms and remain in full force and effect.

21. Default

- 21.1. Without in any way derogating from the provisions of clause 4 of these Terms or any other relevant term, in the event that:
- 21.1.1. you fail to make payments due to us or to perform any other obligation owed to us or any representation or warranty you make to us proves false or misleading; or
 - 21.1.2. you become unable to pay your debts as they fall due or become insolvent or bankrupt or become the subject of any insolvency, bankruptcy or administration proceedings (under any applicable rules); or
 - 21.1.3. execution or distress is levied against any or all of your assets; or
 - 21.1.4. a winding-up resolution is passed or a winding-up or administration order is made in respect of you or a receiver, liquidator, administrator or similar official is appointed in respect of you or any of your property (under any applicable rules);
- we shall be entitled, without prior notice to you and at our discretion, to take any or all of the following actions:
- 21.1.5. treat any or all outstanding transactions as having been cancelled or terminated;



- 21.1.6. sell or realise any or all of the investments or other property which we or the Custodian is holding or entitled to receive on your behalf and to apply the proceeds in or towards satisfaction of any obligation or liability you may have to us or the Custodian (including any contingent or prospective liability) and we will pay the balance of the proceeds, if any, into your Account;
- 21.1.7. set off any obligation we owe to you, and/or to apply any cash we hold for your Account, against any obligation or liability you may have to us pursuant to clause 4.2 above;
- 21.1.8. close out, replace or reverse any transaction, enter into any other transaction or take, or refrain from taking, such other action at such time or times and in such manner, as, at our or the Custodian's sole discretion, we or they, as the case may be, consider necessary or appropriate to cover, reduce or eliminate our loss or liability, or theirs, as the case may be, under or in respect of any contracts, positions or commitments; and
- 21.1.9. terminate these Terms immediately.
- 21.2. Please note that under these Terms, you indemnify us in respect of any Loss (as previously defined) we may incur directly or indirectly as a result of your failure to make any payment to us on the due date.

22. Events Beyond Our Control

Neither we nor the Custodian will have any liability for any Loss (as previously defined) suffered by you as a result of any event beyond our or (as the case may be) the Custodian's reasonable control. This includes (but is not limited to) any failure of communication, settlement, computer or accounting system or equipment, any failure or interruption in the supply of data, any political crisis or terrorist action, suspension or limitation of trading by any exchange or clearing house or any fire, pandemics, flood or other natural disaster. In any of these (or other similar) circumstances any or all of our or the Custodian's obligations will be suspended until the state of affairs giving rise to the failure of ours or the Custodian is remedied.

23. Waiver

- 23.1. You agree that the only duties or obligations we owe you are those set out expressly in these Terms and that we do not owe you any other or further duties or obligations (whether arising from the fact that we are acting as your fiduciary or otherwise). You also agree that any consent or waiver given by your acceptance of these Terms in relation to any duty or obligation we might otherwise owe you shall be valid, effective and comprehensive even though the consent (or the disclosure to which it relates) is general only and not specific to the particular transaction concerned.
- 23.2. Any waiver of a breach of any of the provisions of these Terms or of any default hereunder shall not be deemed a waiver of any subsequent breach or default and shall in no way affect the other provisions of these Terms.
- 23.3. No failure to exercise and no delay on our part in exercising any right, remedy, power or privilege of ours under these Terms and no course of dealings between you and us shall be construed or operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.
- 23.4. The rights and remedies provided by these Terms are cumulative and not exhaustive of any rights or remedies provided by law.

24. Invalidity of Terms

If any provision or term of these Terms or any part thereof shall become or be declared illegal, invalid or unenforceable:

- 24.1. in whole or in part in any applicable jurisdiction these Terms shall, as to such jurisdiction, continue to be valid as to its other provisions and the remainder of the effective provision and the legality, validity and enforceability of such provision in any other jurisdiction shall be unaffected; or
- 24.2. for any other reason whatsoever, such term or provision shall be divisible from these Terms and shall be deemed to be deleted from these Terms provided always that, if any such deletion substantially affects or alters the commercial basis of these Terms, the parties shall negotiate in good faith to amend and modify the provisions and terms of these Terms as may be necessary or desirable in the circumstances.

25. Amendment

We may amend these Terms by sending you a written notice describing the relevant amendments. Such amendment shall become effective on a date to be specified in the notice. You may amend these Terms by sending us written notice which shall take effect from the date that we acknowledge our agreement to such changes in writing. No amendment will affect any outstanding order or transaction or any legal rights or obligations which may have already arisen.

26. Termination

- 26.1. Subject to clause 21, these Terms shall continue until terminated by either party giving written notice to the other.
- 26.2. Termination of these Terms shall not affect transactions for which instructions have been received but not yet actioned.



- 26.3. Any termination is subject to the settlement of any outstanding transactions and the payment of any charges and other amounts due to us.

27. Notices

- 27.1. All notices given pursuant to these Terms shall be in writing and shall be sent to the relevant address provided unless a new address has been supplied by either party in accordance with this clause, in which case notices shall be sent to the party at that address; provided that we may give notices by way of email sent to the email address of one of your authorised representatives with the original written notice to follow thereafter.
- 27.2. Notices sent by the following means, shall, unless the contrary is proved, be deemed to have been received on the following dates:
- 27.2.1. by first class post - on the third business day after despatch where it is sent from the UK to an address in the UK or on the seventh business day after despatch where it is sent from or to an address outside the UK; and
 - 27.2.2. by email, within 2 hours after it has been sent when it is sent within normal business hours (being from 9am to 6pm on weekdays excluding Saturdays, Sundays and English bank and public holidays) or within 2 hours of the commencement of normal business hours where it is sent outside of those hours or on a Saturday, Sunday or English bank and public holiday); and
 - 27.2.3. by facsimile with correct answerback – on the business day after despatch.

28. Contracts (Rights of Third Parties) Act 1999

- 28.1. Notwithstanding the provisions of the Contracts (Rights of Third Parties) Act 1999, the Custodian shall be entitled to enforce the provisions contained in these Terms that relate to the Custodian, provided always that the Custodian, when seeking to enforce any such term, shall have given notice to both you and us.
- 28.2. You hereby irrevocably consent to the assignment of the agreement between us (including these Terms) to a new entity to be formed specifically for the purpose of taking transfer of our business, following receipt by you of a written notice from us to that effect (including by way of a statement on our website to that effect). You further agree that you shall not be required to indicate your acceptance thereof in writing, provided that such new entity remains within the Credo Group and is duly authorised by the FCA (or any relevant successor regulatory authority) to carry on the business and to provide the services contemplated in the agreement between us and under these Terms. You further acknowledge that such assignment shall not be deemed to result in the termination of these Terms pursuant to clause 26 above.
- 28.3. Except as provided in clause 28.1 and where a Group Company has acquired any rights pursuant to the set off provisions contained in clause 4.2 above, a person who is not a party to these Terms shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any terms of these Terms. This shall not affect any rights or remedies of third parties which exist or are available apart from the Act.

29. Status of Terms

- 29.1. You acknowledge and agree that you do not enter into these Terms on the basis of and do not rely, and have not relied, upon any statement or representation (whether negligent or innocent) or warranty or other provision (in any case whether oral, written, express or implied) made, given or agreed to by any person (whether a party to these Terms or not) except those expressly repeated or referred to in these Terms and the only remedy or remedies available in respect of any misrepresentation or untrue statement shall be claim for breach of contract under these Terms. Nevertheless, this clause shall not apply to any statement, representation or warranty made fraudulently or to any provision of these Terms which was induced by fraud for which the remedy shall be all or any of those available under the law governing these Terms.
- 29.2. The Custodian's obligations to you are limited to those set out in these Terms. The Custodian shall in particular not owe any wider duties of a fiduciary nature to you.

30. Governing Law

- 30.1. Notwithstanding the place where these Terms may be executed by any of the parties, the parties expressly agree that these Terms are governed by and shall be construed in accordance with the laws of England and Wales, without reference to any choice of law rules that would result in the application of the law of any other jurisdiction. We each submit to the exclusive jurisdiction of the English courts in connection with any matter or dispute.
- 30.2. Service of process will be deemed to be completed upon delivery at the parties' last known address.
- 30.3. Notwithstanding the fact that you may have a direct relationship with Pershing US pursuant to any applicable client agreement with them which is subject to US law and to the extent to which you have a claim against us arising from that relationship, or you have a direct relationship with some other Custodian used by us which is not Pershing US, you hereby acknowledge that your relationship with us is governed by these Terms and accordingly that the provisions of clauses 30.1 and 30.2 apply to any such claim.



ANNEX 1 - GLOSSARY

CCP	<p>This stands for central counterparty, which is typically an institution that acts as an intermediary between two market participants. The seller of a security sells to the central counterparty. The central counterparty simultaneously sells to the buyer. This means that if one party defaults then the central counterparty will absorb the loss. This reduces the amount of counterparty risk that market participants are exposed to.</p> <p>Certain markets that the Custodian trades in on your behalf will involve a CCP and such transactions will be subject to the rules of the CCP.</p>
CSD	<p>This stands for central securities depository which is a financial institution that custodies securities and provides securities settlement services to one or more markets.</p> <p>When settling a transaction on your behalf the Custodian may have to settle such transaction through a central securities depository or other securities settlement system and the transactions will be subject to the rules of the CSD.</p>
Eligible Custodian	<p>This refers to a third-party custodian (or its nominee company) who the Custodian selects under the FCA Rules to register your investments with.</p>
Joint and Several Liability	<p>If joint and several liability applies, the effect is that both you and the other person(s) separately promise to meet all obligations under these Terms in respect of the Account either (1) jointly with the other person(s); and (2) individually.</p>
Margin or Collateral	<p>This is where your money or investments are passed to a Relevant Party in order to provide security against the performance of obligations.</p>
Relevant Party	<p>This includes (but is not limited to) an exchange, clearing house, intermediate broker, settlement agent or a counterparty dealt with directly (over the counter) outside of any exchange. The Relevant Party may be located in the UK or elsewhere.</p>
Time shall be of the Essence	<p>The use of this term in relation to any payment, delivery or other obligation you have to the Custodian means that the Custodian shall be entitled to terminate these Terms and, if appropriate, claim damages from you if you fail to perform your obligation in accordance with the time specified. It is intended to ensure that the relevant deadlines are strictly complied with.</p>



ANNEX 2 – CCP AND CSD TRANSACTIONS

1 Settlement of CCP and CSD Transactions

- 1.1** In order to settle transactions on your behalf, the Custodian will need to deal with the other party to the transaction (the “**counterparty**”) and sometimes transactions will be settled through a central counterparty (“**CCP**”) or a central securities depository or other securities settlement system (“**CSD**”) or other depository transfer agent or similar body. When the Custodian deals with these parties, it does so as your agent, in good faith and on the basis that:
- (a) the Custodian is not responsible for any default or failure of the **CCP**, **CSD** or other counterparty or of any depository or agent of those entities; and
 - (b) the delivery of any securities or payment to you as a result of the transaction is entirely your risk and not that of the Custodian.
- 1.2** In some cases, transactions will be subject to **netting**. You agree, in respect of any transaction which is subject to **netting**, to discharging the settlement obligations on a net basis in accordance with the rules of the relevant **CCP** or **CSD**. You acknowledge that if net settlement takes place then the Custodian will only be obliged to account to you for any investments or cash in connection with the transaction on a net basis.
- 1.3** We and you acknowledge and agree that:
- (a) the Custodian does not owe any duty to us, you or any other person to verify the appropriateness, adequacy or effectiveness of the rules, requirements and procedures of any market or **CCP**; or in relation to any exercise or non-exercise by the market or the **CCP** of its rights or powers under such rules, requirements and procedures; and
 - (b) the Custodian shall have no liability for any loss or damage suffered or incurred by us or you by reason of the Custodian taking or failing to take any action, where such action or failure to take action is authorised, permitted or required by a market or a **CCP** or is otherwise deemed necessary by the Custodian under the rules, requirements and procedures of the market or the **CCP**.

2 Limits on the Custodian’s Liability to you and Indemnities you give to the Custodian

If any net settlement takes place then the Custodian’s only obligation to account to you will be to account for the net investments and/or cash received by it from any relevant **CCP**, **CSD**, or their respective agents, corresponding to the transactions relevant to the net settlement entered into on your behalf. In addition you agree that the Custodian shall have no liability to you in connection with the exercise by any **CCP**, **CSD**, or their respective agents of their powers under any Power of Attorney or equivalent right or power in respect of any settlement account operated by or on behalf of the Custodian in connection with the settlement of any transaction.



ANNEX 3 – OVERSEAS INVESTMENTS

1 Settlement of Transactions

If a transaction is undertaken on your behalf on non-UK markets, it will be subject to the rules of the relevant overseas exchange, clearing system and/or depositary and to any terms of any foreign agent or custodian employed by the Custodian. These rules and terms may include, but are not limited to, such persons having the right to reverse a transaction (including reversing the delivery or re-delivery of any investment and any payment) even after it has been settled. In view of the number of markets and counterparties which may be used it is not possible to outline all of the potential rules and obligations that may apply in such cases.

2 Client Money

If your money is held by a credit institution or bank outside the UK or EEA or your money or investments are passed to a third party then it is important you understand that the legal and regulatory regime applying to that credit institution, bank or other third party will be different from that of the United Kingdom or the EEA. This means, amongst other things, that the rights and protections you have under the FCA Rules will not be available in respect of those banks or credit institutions or third parties. Other rules and regulations may apply to them under local law but your rights and obligations are likely to differ, particularly if such party is in default.

3 Custody and administration of your investments

- 3.1 Whether or not they are registered or recorded in the name of the Custodian, or an Eligible Custodian, investments belonging to you which are held abroad may be subject to different settlement, legal and regulatory requirements from those applying in the UK or the EEA. Your rights may therefore also differ.
- 3.2 The Custodian (including Credo, if applicable) will exercise due skill, care and diligence in the selection, appointment and periodic review of any Eligible Custodian it appoints and the arrangements for the holding and safekeeping of your investments. It is important that you understand the Custodian is not responsible for anything done or not done, or any default of an Eligible Custodian unless that default is caused by the negligence, fraud or wilful default on the part of the Custodian or any of its nominee companies. Although the Custodian will seek to make sure that adequate arrangements are made to look after your ownership rights in any investments (especially in the event of its own insolvency) you should understand that your investments may be at risk if an Eligible Custodian becomes insolvent.
- 3.3 Overseas investments may be registered or recorded in the name of the Custodian or in the name of an Eligible Custodian. Your acceptance of these Terms indicates your consent to the possibility of registration in such manner. However any such registration in one of these ways will only be done after the Custodian has taken reasonable steps to determine that it is in your best interests to do so or that it is not feasible to do otherwise because of the nature of the applicable law and market practice in the jurisdiction where the transaction occurs. Registration in this way means that your investments may not be kept separate from other investments belonging to the Custodian or the relevant Eligible Custodian. Your protection may therefore be less, as if the person in whose name your investment is recorded defaults on its obligations, your investment may not be separately identifiable as yours. Accordingly it may be subject to other third party claims including claims by the general creditors of the defaulting person.

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