

## Introduction

Alongside many other features, the Credo platform offers Financial Intermediaries (FIs) the option of either onshore custody in the United Kingdom or offshore custody in Jersey for their Investor accounts. This guide is intended to provide a broad overview of the custody options.

## Regulator

- Onshore Custody: provided by Pershing Securities Limited (BNY Pershing UK), regulated by the Financial Conduct Authority (FCA) in the UK.
- Offshore Custody: provided by Pershing (Channel Islands) Limited (BNY Pershing CI), regulated by the Jersey Financial Services Commission (JFSC) in Jersey.

## Asset Protection

Both BNY Pershing UK and BNY Pershing CI are part of BNY, the world's largest global custodian. Pershing protects Investor assets in many ways which are outlined in the Investor Due Diligence Solutions document in InfoHub.

Investors may be able to benefit from the UK's Financial Services Compensation Scheme (FSCS) or Jersey's Depositors Compensation Scheme (DCS). Eligible Investors may be paid compensation up to a maximum of £85,000 (by FSCS) and £50,000 subject to an overall limit of £100m for the entire Jersey's scheme (by DCS) if a firm is unable to pay claims against it.

## Account Opening

See Due Diligence Requirements guide in InfoHub for full decision tree and details but see below for summary.

BNY Pershing UK:

- Low & Medium risk accounts = Simplified Due Diligence: Credo can rely on FIs AML/KYC
- High risk accounts (including SA connected accounts) = Enhanced Due Diligence

BNY Pershing CI:

- Low & Medium risk accounts = Standard Due Diligence: proof of identity and address
- High risk accounts (including SA connected accounts) = Enhanced Due Diligence

## Which custodian should an Investor/FI choose?

Credo doesn't dictate or provide advice as to which custodian (BNY Pershing UK or BNY Pershing CI) is best for a specific Investor. As there are no hard and fast rules, the FI will need to consider the Investor's specific circumstances when deciding, taking into consideration:

- Investor's tax residency including in relation to UK IHT (if applicable)

- Investor's tax domicile including in relation to UK IHT (if applicable)
- Different probate rules may apply (UK rules with Pershing UK & Jersey rules with Pershing CI) should an Investor pass away
- Different Trading and Custody fees (see your Credo Fee Schedule for full details)
- Different Investor Interest Rates for cash (See Cash Management & Interest Rates solutions guide in InfoHub)

Note that the above is not an exhaustive list and Credo cannot offer advice to FIs on tax, domicile or what is best for a specific Investor.

Typically, however, the following decision is made:

- BNY Pershing UK: UK resident and domiciled Investors, SA residents Investors.
- BNY Pershing CI: UK resident & non-domiciled Investors, non-UK residents (excluding SA) Investors

## Operations

Once account is set up then everything operationally is the same for BNY Pershing UK and BNY Pershing CI accounts. Both are visible and traded in MyCredo with the ability for Investors to view in MyCredo Invest also.