



Fundsdirect Terms and Conditions

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Fundsdirect Terms and Conditions

Introduction

We would ask that you read this document carefully, as it contains information regarding the basis of our services. It should also be read with the following documents;

- ▶ Fundsdirect Charges Schedule, web address www.fundsdirect.co.uk/charges
- ▶ Fundsdirect ISA Key Features Document (KFD) www.fundsdirect.co.uk/key_features
- ▶ Best Execution Policy www.fundsdirect.co.uk/orders
- ▶ Conflicts of Interest Policy www.fundsdirect.co.uk/conflicts

Please note our Terms & Conditions are standard within Fundsdirect, and at times there may be products and services that are not currently available or unsuitable to you as a non-advisory client. If you have any queries regarding the service we will provide you, **please call our Customer Services team on 0845 6005361.**

By registering as a client of Investment Funds Direct Ltd, it forms a legally binding agreement between us. If you have any queries regarding the service we will provide you, **please call our Customer Services team on 0845 6005361.**

These Terms & Conditions are divided into 2 sections covering;

1. General terms applicable to all products and services (i.e. General Investment Accounts (GIA), Individual Savings Accounts (ISA))
2. Terms & Conditions specific to ISAs

Your use of our service will confirm your acceptance of these Terms & Conditions

Investment Funds Direct Limited (IFDL) of 9 Palace Yard Mews, Bath, BA1 2NH, is authorised and regulated by the FSA, 25 The North Colonnade, Canary Wharf, London E14 5HS. (FSA number 114432) FSA Helpline number 0845 606 1234.

Glossary of Definitions

- ▶ Account Investor – shall mean an individual who undertakes any transaction through the electronic service
- ▶ Adviser - means a financial adviser who is a person authorised by the FSA and advises you in the setting up and running of your Fundsdirect Account
- ▶ CREST – means the computer-based system which enables securities to be held and transferred in un-certificated form and which is operated by CRESTCo Limited.
- ▶ Eligible Complainant – shall mean a person who can complain to the Financial Ombudsman Service
- ▶ EMX – means Electronic Messaging exchange for UK Unit Trusts & OEICs as provided by Euroclear
- ▶ FOS – means Financial Ombudsman Service website address: www.financial-ombudsman.org.uk
- ▶ FSA - means the Financial Services Authority, website address: www.fsa.gov.uk
- ▶ General Investment Account (GIA) – shall mean an unwrapped and taxable investment account
- ▶ HMRC – means 'Her Majesty's Revenue and Customs'
- ▶ IFDL – means Investment Funds Direct Ltd
- ▶ ISA – means an Individual Savings Account
- ▶ ISA Manager – means a person who is approved by HM Revenue and Customs for the purposes of the ISA regulations as an account manager
- ▶ ISA Regulations – means Individual Savings Account Regulations 1998, as amended from time to time

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- ▶ Joint Account – means a couple (married or civil partnership) or trustees, with one Wrap Account
- ▶ Model Portfolio – means the facility within the Wrap service by which an adviser may select appropriate investments and then link any number of clients to that portfolio
- ▶ Nominee - means Fundsdirect Nominees Limited, Fundsdirect ISA Nominees Ltd or any custodian as directed by Fundsdirect
- ▶ Non Custody Assets – means assets that cannot be traded via the Wrap platform, but can be held and valued as part of your portfolio
- ▶ OEIC – means Open Ended Investment Company
- ▶ Off Market Trades – means non Regulated Markets (markets or trading facilities that are not regulated and authorised by an appropriate authority) **Please refer to our Best Execution Policy**
- ▶ Rules - means the rules of the FSA or any successive body. Words and phrases defined in the Rules bear the same meaning in the Terms & Conditions unless the context requires otherwise
- ▶ Securities – means units in Unit Trusts, shares in OEICs or equities, fixed interest securities, investment trusts and other tradable investments available through the Fundsdirect service
- ▶ Stocks & Shares ISA – shall mean a tax free wrapper for your investments, within an Individual Savings Account
- ▶ Tax Year – means the period beginning 6 April one year and ending on 5 April in the following year
- ▶ Terms & Conditions – means these Terms and Conditions, in conjunction with the Fundsdirect Charges Schedule and Key Features Document
- ▶ Third Party Product Account (TPPA) – means an account which contains the investments of and is a constituent part of an investment product provided by a third party e.g. a Self Invested Personal Pension (SIPP) or an Offshore Bond
- ▶ UK Collective Funds – means a collective investment such as a Unit Trust or OEIC
- ▶ Wrapper – means any General Investment Account (GIA), Third Party Product Account (TPPA) or Individual Savings Account (ISA) held with Fundsdirect

The Fundsdirect Service

1. Fundsdirect is regulated by the FSA in the conduct of investment business and is bound by its Rules (FSA Number 114432)
2. For the purposes of MiFID, your FSA client classification will be treated as a 'Retail' client.
3. Nothing included in the Fundsdirect Service constitutes an offer or solicitation to sell investments by anyone in any jurisdiction in which such an offer, solicitation or distribution would be unlawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation
4. Fundsdirect attempts to ensure that the information available on their service at any one time is accurate and not misleading. However, reference information is provided by external third parties and the content cannot therefore be guaranteed to be free of error or omission. Reasonable effort is made to ensure that these details are accurately maintained, though providers may change their terms on occasion
5. Fundsdirect may record or monitor telephone conversations for security and training purposes, accepting these Terms & Conditions gives your consent to such recording
6. Fundsdirect does not offer advice on investment, legal matters or tax. You should seek such advice from a Independent Financial Adviser
7. This agreement comes into force when you pay funds into one of the 'wrappers' within the Fundsdirect Service. The minimum sum to start the service is £1,000.
8. Upon receipt of your successful online application form, Fundsdirect will confirm by email that the account is open
9. You will not disclose your security details to any other person.
10. Once cleared funds are available Fundsdirect will place order(s) as instructed by you

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11. Your Contract Note will be accessible through your Fundsdirect account. Where you request it in writing, the Contact Note will be sent by mail subject to an additional charge – **See Fundsdirect Charges Schedule**
12. Instructions must be provided by the web service. Telephone and written instructions are only accepted where the order can not be undertaken via the web service. For the full details on our Fundsdirect Execution Policy – **Please refer to our Best Execution Policy**
13. Prices displayed within your portfolio for funds and stocks, will reflect the latest daily and end-of-day price respectively as provided by our price vendor. For dealing purposes, these prices should only be used as an indicative price.
14. Some of the funds available to you operate on a “dual price” basis. It is important that you understand the pricing of these funds in particular before you make a purchase. It is your responsibility to perform any due diligence and background research on funds before you purchase them. This includes products that might be classed as “complex instruments” by the FSA.
15. All notices and all other communications from you to Fundsdirect (such as change of name, address or bank account details) must be in writing, signed by all original signatories, and delivered or sent by post to Fundsdirect, 9 Palace Yard Mews, BATH, BA1 2NH, or such address as Fundsdirect may specify.
16. Unless you advise that your security details have been compromised any order using them will be deemed valid

Your General Responsibilities

1. You agree to accept full responsibility for all instructions placed and to release Fundsdirect from any liability for executing instructions which you place using the Fundsdirect Service. You acknowledge that all instructions made by you are at your sole risk
2. You authorise Fundsdirect to accept as genuine and duly authorise any order instruction placed using your account security details.
3. You agree that if for any reason part way through placing your instruction for an order via the Fundsdirect Service, there is any failure and/or your connection to the Fundsdirect Service, then you will not repeat any instruction for that order without contacting Fundsdirect first by telephone or email. This is required because your first instruction may have been received and actioned and if you repeat the instruction the same order may be actioned twice. In this event you will be liable for both orders
4. You may be able to cancel an order via the Fundsdirect Service whilst it is still pending. However, deals shown to be pending are not real time as there is a slight delay between the order being executed and it then being removed from the list of pending deals. Therefore, if an order is shown as pending and you enter an instruction to cancel that order, if it has already been executed by us, then you will not be able to cancel the instruction as it will be placed with the Fund Manager. Fundsdirect can cancel the deal for you, but a charge will be applied – **See Fundsdirect Charges Schedule**

Subscriptions

1. Subscriptions may be made by Debit Card, cheque, or by electronic transfer. All cheques, Debit Cards or electronic transfers submitted for business must be drawn on the Account Investor's UK personal bank account. Cheques drawn on Building Society accounts must be certified on the reverse
2. As a result of UK Anti-Money Laundering Regulations, you will be identity checked through our electronic verification system. Additional documentation may be required, in which instance we will contact you in writing. (If this is required an investment transaction may be delayed)

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Cash and Client Money

1. Fundsdirect may retain all client monies pending investment or re-investment and such monies will be held in a client money bank account with an institution or bank authorised to hold client money as Fundsdirect may from time to time nominate. Such deposit-taking Institutions or banks will not be an associate of Fundsdirect and will not accept liability in the event of their default
2. Fundsdirect client accounts are designated as client money trust accounts as defined by the Rules and Regulations and all client account money is segregated from funds belonging to Fundsdirect
3. Fundsdirect will pay interest on cleared balances in your cash deposit account in accordance with the FSA (Client Money) Regulations at the prevailing rate as published on the Fundsdirect website www.fundsdirect.co.uk/interest
4. The level of interest earned on your wrappers can be viewed on the Fundsdirect website
5. Fundsdirect make a margin on the interest paid to you
6. Interest on cash deposits held in Stocks & Shares ISA wrapper Accounts, will be paid after deduction of a 20% flat rate charge, which is paid to HMRC in accordance with the ISA regulations
7. Interest on cash deposits held in GIA wrapper Accounts, will be subject to basic tax rate of 20% charge, which is paid to HMRC in accordance with the regulations. You will be responsible for including any interest in your annual tax return and making any higher tax rate payment if appropriate
8. Some Fund Managers will only accept fund purchases or sales to the nearest share, therefore, in such circumstance there may be small residual amounts of cash which will be retained within your account

Client Account Maintenance

1. We will deposit your money in our Client Account. If there has been no movement in your balance for a period of at least six years, including any payments on account of charges, interest or similar items, we will write to you and your Nominated Intermediary at your last known addresses informing you of our intention to no longer treat your balance as client money. However, we will still pay what is due to you if you subsequently claim payment.
2. Should any of your details change (e.g. address, bank account, Nominated Intermediary) you must inform us as soon as possible for us to service your account accurately.

Client Asset Protection

1. We keep all Client Account Money separate from our own money and hold it under trust with the Bank. We are also responsible for safe custody of all Assets held in your Account. Legal title to all Assets is registered in the name of the Nominee.
2. We register investments in the name of Fundsdirect. Subject to Regulations, you authorise us to direct and instruct one of our Nominees to discharge our responsibilities under these Terms. We are responsible for the acts and omissions of our Nominee. Our Nominees are not in themselves authorised persons under the Financial Services and Markets Act 2000; they can only hold investments and do not carry on business in their own right.

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Funds on the platform

1. Fundsdirect reserves the right to add and remove Funds from the service. We may do this for a number of reasons that include, but are not limited to, funds becoming delisted from the Market, funds changing their tax status or funds becoming disallowed from an ISA regime.
2. The presence of a Fund on the service does not imply an endorsement by Fundsdirect of that fund. Fundsdirect does not give advice about the suitability of a fund for investment to anyone at any time. Selection of a fund for investment is the whole responsibility and risk of you and/or your Nominated Intermediary.

Investments

1. The purchase of investments within the Fundsdirect Service is undertaken only by you. All instructions will be actioned by Fundsdirect on an 'execution only service' basis.
2. You must have sufficient funds available in your cash account in order for a trade to be executed on your behalf. Transaction will only be settled by funds held within your Fundsdirect account
3. Fundsdirect will neither deal in suspended securities or options, nor accept short positions and it will not undertake stock lending
4. Fundsdirect reserves the right to refuse securities requiring trades on overseas exchanges, or a trade in foreign currencies.
5. Fundsdirect does not make any personal investment recommendations. None of the product literature and/or anything in these Terms & Conditions should be regarded as a solicitation or a recommendation to buy, sell and/or otherwise maintain any particular investment
6. Orders to purchase a fund must be received by our dealing cut off time (usually one hour before a funds valuation point) in order for the instructions to be executed that day. Orders received after that time will be processed the next business day
7. We have discretion to apply Funds to an Account on a day other than a Business Day. If, after you've made your investment, we make an adjustment to your holding on the basis of instructions received from the fund manager which is then found to be incorrect, adjustments of £5 or less will not be processed or kept by Fundsdirect.
8. The Contract Note will be viewable on your web account. Paper contract notes will only be sent on your specific instruction and an additional charge will apply – **See Fundsdirect Charges Schedule**
9. We reserve the right to cancel a transaction without notice where we believe there is sufficient justification. This may include for example (but not limited to) circumstances where we are requested to do so by our counterparty or the relevant exchange, or where we believe you have submitted duplicate or repeated instructions to take advantage of any market limitations or restrictions. We will not be liable for any loss or expense you incur as a result of the cancellation of a transaction in such circumstances. If multiple trades are processed we will apply charges separately to each deal.
10. Levels of trading are actively monitored and acceptance of anyone who is considered to have a history of short-term or excessive trading or whose trading has been disruptive may be refused. In instances where a payment to your Account is unpaid for any reason, you will be held accountable for any loss that may arise due to market movement.

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Fees, Charges and Expenses

1. Our fees and charges are set in the Fundsdirect Charges Schedule. Should our charges change, we will contact you at the earliest opportunity. This will not affect any of your rights to withdraw from the Fundsdirect offering.
2. Commissions payable will be disclosed to you on the contract note made available after each transaction. Other charges will be shown on your statement.
3. The Fund Manager of each fund in your Account may receive an initial charge. An annual management charge and other fees, charges or expenses properly payable to them may be paid out of your assets in that Fund.
4. Occasionally a sale of an investment will need to be adjusted AFTER a sale price has been agreed with you. For example, a fund manager may apply a "dilution levy" to the withdrawal from a fund. This is a re-calculation of the impact of that sale on the overall value of a fund. Under these conditions, we will contact you to explain any such further charges being applied.

Appropriateness & Suitability of your Investment

We do not undertake appropriateness and suitability assessments of your investments. If you wish to invest in complex instruments (designated as 'complex financial instruments' under the FSA's Conduct of Business Rules), we advise that you should consult a Financial Adviser

Best Execution Policy

Fundsdirect takes all reasonable steps to obtain the best possible result when orders to buy or sell are transmitted for execution on behalf of customers

For the full details on our Execution Policy – *Please refer to our Order Handling and Best Execution Policy* www.fundsdirect.co.uk/orders

Conflicts of Interest Policy

Fundsdirect applies a Conflicts Policy under which conflicts are managed with a view to minimising the risk of detriment to investors. The Conflicts Policy can be read on our website www.fundsdirect.co.uk/conflicts

Custody of Investments

1. Title to all investments and securities held for you shall be held in a Nominee appointed by Fundsdirect or to its order. Currently this is Fundsdirect Nominees Ltd and Fundsdirect ISA Nominees Ltd of 9 Palace Yard Mews, BATH, BA1 2NH
2. Whilst all investments and securities in the Fundsdirect Service shall be held in the name of Funds Direct Nominees Ltd or Fundsdirect ISA Nominees Ltd or to its order, you will remain the beneficial owner of all such investments and securities at all times
3. Your investment within a security may be pooled with those of other Investors and may not be identifiable by separate certificates or equivalent electronic records
4. The documents evidencing title to such investments whether in physical form or equivalent electronic record shall be held by Fundsdirect Nominees Ltd or Fundsdirect ISA Nominees or such Nominee as it may direct
5. Fundsdirect may not lend the documents of title to any third party or borrow money against the security of such documents of title or the equivalent electronic record

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Company Meetings, Communications and Corporate Actions

1. You authorise Fundsdirect to exercise any conversion, subscription, or other corporate action requiring action on your behalf
2. Fundsdirect will contact you in writing detailing your election options, for corporate action events requiring election. If we do not receive a response from you prior to the election deadline, the default option stated by the 'company's registrar' will apply, which we would have outlined to you. Where a corporate action does not require an election from you, we will not normally contact you with advance notice of such events
3. If an instruction from you requires additional payment then this must be provided to Fundsdirect and received in the form of cleared funds prior to the election deadline, otherwise the default election will be exercised by Fundsdirect
4. In the event that the resulting stock received by way of a corporate action is unacceptable for Fundsdirect to hold in the nominee account (e.g. it is a foreign stock, an unquoted stock or an unauthorised Unit Trust or OEIC) we reserve the right to return the stock to you either in dematerialised or certificated form
5. Fundsdirect will not, as a matter of course forward Company reports' which detail the performance and other information relating to your investment, these should be obtained directly from the provider
6. If you wish to attend share, security or unit holding meetings to vote if applicable, you should contact a Financial Adviser.
7. Fundsdirect is unable to pass on to you any shareholder perks which may attach to investments held by you
8. Certain corporate actions (e.g. consolidations) result in fractional allocations of shares and/or cash distributions

Dividends and other Distributions

1. You authorise Fundsdirect to collect on your behalf all dividend or other corporate distributions in respect of securities held within accounts under the Fundsdirect Service
2. Fundsdirect applies a quarterly charge for income distributions. **See Fundsdirect Charges Schedule**
3. You may elect to receive a distribution of income on a monthly/quarterly/half yearly or annual basis
4. Income distributions are available where you have elected for this option in writing and where you have provided valid bank details for Bankers' Automated Clearing System (BACS) credit payments
5. Income distributions will comprise all receipts of dividends, interest, tax credits or other such monies as received by Fundsdirect
6. Quarterly distributions will be undertaken for the quarter's ending 31st March, 30th June, 30th September and 31st December
7. Distributions will be made by BACS and will be remitted by Fundsdirect to the bank details provided with your online application within 10 working days following the end of each quarter
8. Due to the complexity of the tax regimes in other countries, Fundsdirect will not, as a general rule, reclaim tax credits on dividends or other income on foreign securities
9. If you receive savings income from Fundsdirect and you live in a prescribed, relevant or other territory (as prescribed by the Savings Income Guidance Notes), your details and details of any interest paid will be reported to HMRC as required under the EU Savings Directive
10. All income will be received net of tax where we can. Fundsdirect will place tax reclaims on payments where applicable.

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Transfers to your Wrapper Account

1. Fundsdirect reserves the right to refuse to accept any security which is not a UK authorised Unit Trust or OEIC, an equity not listed or dealt on a recognised Exchange and unquoted shares in private companies
2. Fundsdirect will accept the transfer of cash, or acceptable securities into your wrapper account where the respective product rules allow. – **See Fundsdirect Charges Schedule** (we would advise that there may be a charge levied by the existing nominee, please contact them directly for more information)
3. For each security transferred 'in specie', a charge will apply. – **See Fundsdirect Charges Schedule**
4. Fundsdirect reserves the right to charge you a fee to recover any further re-registration or other costs incurred in the process of transferring and re-registering a security into your wrapper accounts

Transfers from your Wrapper Account

1. Plan transfers can be undertaken in the form of cash or 'in specie' following a valid plan transfer request being received. For each security transferred out 'in specie', there will be a charge. – **See Fundsdirect Charges Schedule**
2. You agree that in the event of transferring cash or securities from your wrapper, no orders will be entered until you have received confirmation from Fundsdirect that the transfer has been completed

Settlement

1. Settlement of a full or partial withdrawal within a collective investment will take place once cleared funds have been received from the external fund manager, usually this will be no later than 10 business days following receipt of all required documentation
2. Settlement of a full or partial withdrawal within a CREST tradable stock will take place no later than 3 business days following receipt of all required documentation
3. Settlement of a full or partial withdrawal on Off Market trades will take place once cleared funds have been received from the external stock broker, usually this will be no later than 10 business days following receipt of all required documentation
4. Withdrawals made shortly after a subscription has been made will only be settled once Fundsdirect are sure cleared funds have been received
5. Fundsdirect reserves the right to defer settlement where there is a need to fulfil due diligence under FSA or UK Anti-Money Laundering regulations
6. Settlement of a full or partial withdrawal will only be made to the named investor for payment details provided with the online application form. In some instances we may agree to pay proceeds to another FSA regulated company or a company who operates a client money account

Statements and Valuations

1. Fundsdirect will provide you with a written statement and valuation twice yearly for securities held within your Fundsdirect Account
2. You are required to check your statement and in the event of any queries or concerns to contact Fundsdirect immediately
3. Fundsdirect reserves the right to correct any erroneous records relating to the Fundsdirect Service without prior reference to you
4. Up to date valuations and statements may be obtained online at any time
5. If additional statements are required outside the twice yearly valuation cycle, then a charge will be applied. – **See Fundsdirect Charges Schedule**
6. Fundsdirect will issue a consolidated tax voucher in paper format, every year within 90 days of the previous tax year end

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In the event of Death

1. In the event of your death your legal representative(s) should inform Fundsdirect as soon as reasonably possible. This notice should include any instructions for the sale of investments in the GIA account pending probate
2. Fundsdirect will not automatically sell the investments held within the GIA until the Sealed Grant of Probate or Letters of Administration is received and we have specific instructions from your legal representatives. This will mean that the investments will continue to be exposed to movements in the market and may fall in value as well as rise
3. Grant of Probate or Letters of Administration, or such other formalities, should be sent to Fundsdirect by your legal representative(s) with instructions for the closure or transfer of the account
4. Fundsdirect reserves the right to collect any outstanding account charges due after the date of death and until the closure of the account
5. The procedure for funds in a TPPA will depend on the respective Third Party Product Terms & Conditions and they should be informed of the death as soon as possible Fundsdirect will then act on the instructions of the Third Party Product Provider
6. Any ISA benefits will cease on your death and Fundsdirect will recover any tax due to HMRC from the date of death

General – The Wrap Account

1. The Fundsdirect Service is only available via the Microsoft Internet Explorer web browser. No other web browser is supported by Fundsdirect
2. Should the value of your account fall below a £1,000, Fundsdirect reserve the right to close the account and pay the funds to you or your TPPA. In these instances our normal dealing charges will apply – **See Fundsdirect Charges Schedule**
3. Other parties may be granted viewing and dealing capability on some or all of your Fundsdirect Account – for example a Stockbroker, Trustee or Discretionary Fund Manager. These will only be provided with the express instructions of from you.
4. You agree to accept full responsibility for all instructions placed and to release Fundsdirect from any liability for executing instructions you place using the Fundsdirect Service. You acknowledge that all instructions made are at your sole risk
5. Access to the Fundsdirect Service and the use of the electronic dealing facilities may be prevented by certain factors outside the reasonable control of Fundsdirect including, without limitation, the in-operation, inefficiency or unsuitability of your equipment and the unavailability, in-operation or interruption of Internet or other telecommunication services. Fundsdirect does not accept any liability for any loss or damage arising out of or in connection with such service disruption
6. You agree not to copy, reproduce or redistribute, in whole or in part, any information or data contained on the Fundsdirect website except for the purposes of accessing and using the service for your own personal use. Information on the Fundsdirect website is subject to copyright with all rights reserved
7. You agree not to use the Fundsdirect website for any illegal or improper purpose including, without limitation, the transmission of defamatory or obscene material. You fully indemnify Fundsdirect in respect of any breach of this prohibition
8. All statements, notices and other documents to be sent by Fundsdirect to you shall be sent to your address stated from your online application or such address as you may subsequently specify in writing to Fundsdirect. This may also include notices to your e-mail address
9. Contract notes showing your ownership of your investments can be viewed online, when Fundsdirect receives confirmation from the fund manager

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Statement of Liability

1. You acknowledge that orders placed using the Fundsdirect Service may be sent directly to an Exchange without being viewed by any individual member of Fundsdirect staff
2. Fundsdirect may also restrict and/or change the hours and time of operation of any of the Fundsdirect website at any time. Where reasonably practicable Fundsdirect will give advance notice of this but this may not always be possible and/or practical for business reasons.
3. Fundsdirect may alter or change any code and/or number allocated to your account from time to time
4. You will be responsible to us and our Nominee for any liability or loss which we or our Nominee may suffer or incur (including taxes for which you are primarily liable and any expenses reasonably and properly incurred) in the proper course of administering your Account, except to the extent arising from any negligence, wilful default or fraud on the part of ourselves or our Nominee.
5. In no event will Fundsdirect be liable to you or anyone else for any consequential, incidental, special or indirect damages (including but not limited to lost profits, dealing losses and damages) that result from inconvenience, delay or loss of the use of the electronic service, even if Fundsdirect has been advised of the possibility of such damages or losses Fundsdirect shall not be liable for any loss resulting from a cause over which it does not have direct control. Fundsdirect is not responsible for any damage to your computer, software, modem, telephone or other property resulting from your use of the electronic service
6. Fundsdirect will not be liable for errors of judgment made in good faith nor for the acts, omissions or defaults of agents or custodians or their employees, nor for strikes, interruption of power supplies, machinery failure or causes beyond the reasonable control of Fundsdirect
7. Fundsdirect will not be liable only for errors, acts or omissions arising from Fundsdirect negligence, wilful default or fraud but nothing in these Terms & Conditions attempts to exclude any liability that Fundsdirect may have under the Financial Services and Markets Act 2000
8. The Fundsdirect website may contain hypertext links to other websites not maintained by Fundsdirect. These websites are not endorsed or recommended by Fundsdirect and nor are Fundsdirect responsible for any information contained on such websites and shall not accept an liability for loss or damage arising from the use of these websites or the reliance on information contained on them. Any links to third party websites are provided solely as a convenience to Account Investors and at their own risk
9. Fundsdirect maintains professional indemnity and fidelity insurance in respect of its activities and its clients' assets
10. Fundsdirect will exercise all reasonable professional care in Account Investor deals and its selection of brokers, bankers and other third parties who Fundsdirect may from time to time instruct or employ. Accordingly, to the extent that Fundsdirect does exercise all reasonable professional care, no liability shall attach to Fundsdirect whatsoever arising in respect of any loss or diminution in the value of investments

Data Protection Act

1. Information given by you will be controlled by Investment Funds Direct Limited or its nominees, Fundsdirect ISA Nominees Ltd or Fundsdirect Nominees Ltd
2. We will treat all information provided by you in the strictness of confidence and in accordance with the Data Protection Act
3. Information provided by you will not be disclosed to 3rd parties unless you have given your prior consent or where we are required to by law

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4. The information held on our platform will only be used to provide you with the services you requested or, if you have agreed, to keep you informed of products and services that may be of interest to you
5. Under the terms of the Data Protection Act you have the right to obtain a copy of the personal information we hold on you on payment of the appropriate fee – **See Fundsdirect Charges Schedule**. Requests should be made in writing to: Investment Funds Direct Limited, 9 Palace Yard Mews, Bath, BA1 2NH
6. If any of the information we hold on you is inaccurate or incorrect, please let us know and we will correct it

Termination by us

1. Subject to our Terms & Conditions, Fundsdirect may terminate its role as your electronic service provider at any time by giving you written notice. At least 30 days notice will be given and shall be without prejudice to the completion of orders already initiated
2. On termination as your provider, Fundsdirect will pay or transfer the investments to you or to the account of another provider. In these instances our normal dealing charges will apply. **Please refer to the Fundsdirect Charges Schedule for more information**

Withdrawals, Assignment and Termination by you

1. Subject to the Regulations and to the settlement of any outstanding investment orders(s), any tax liabilities, charges and expenses, you may withdraw part or all of the investments by giving written instructions to Fundsdirect
2. You may terminate your account by giving written notice to Fundsdirect. Such notice will take effect immediately upon receipt of instructions or immediately after the completion of order(s) already initiated. Following settlement of all sales of the investments held within your account, Fundsdirect will transfer the proceeds plus any residual distributions and related tax credits to you unless you shall otherwise direct. This will normally be by BACS if we have your verified bank account details, or by cheque.
3. Upon full closure of your Account, any payments subsequently received by us of £1 or less will not be processed or retained by Fundsdirect. If you transfer holdings to Fundsdirect and payments are subsequently received from your previous manager, such as distributions and tax reclaims, these will be added to your Account in the following way: Any residual Income received from the previous manager will be reinvested into the largest value holding within your Account, regardless of any change to mandate instructions received upon transfer to Fundsdirect. Fundsdirect reserves the right to return any residual Income to the previous manager if the amount is below £25.

Good discharge

1. Payment to your Nominated Bank Account or to your Nominated Intermediary for the time being, at his direction, is in any case a good discharge of our liability.

Circumstances beyond our control

1. If circumstances beyond our control result in a loss to you, Fundsdirect will not be held responsible for any damages relating to the loss. Examples of when these circumstances apply could be when the loss occurred as a result of a flood or earthquake.

Variation to these Terms & Conditions

Fundsdirect reserves the right to amend these Terms & Conditions or make any changes as required by the FSA or HMRC due to revised rules or stipulated regulations. We will give you at

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least 30 days notice before making any such material changes. Incidental changes will be notified via an update to our Terms & Conditions available on the Fundsdirect website.

Notices

1. Except as otherwise provided, notices to Fundsdirect should be sent to us at our Administration Address. Notices to you will be sent to your last known address and may be copied to your Nominated Intermediary (if applicable).

Cancellation Rights

1. You are able to cancel your Fundsdirect account up to 30 days after you receive our confirmation of its establishment (your "cooling off period"). However, if you have asked us to invest your funds, you may get back less than you contribute.
2. You may ask us to put your fund into your Deposit Account for the 30 days of your 'cooling off period', and if you then decide to cancel your account you will receive back the original amount.

Complaints Policy

In the event of a complaint, you can write to Fundsdirect Customer Services, 9 Palace Yard Mews, Bath, BA1 2NH, or by phone on 0845 6005361. Our full complaints handling policy is available to download from our website www.fundsdirect.co.uk/complaints. A written version of our complaint handling policy is also available on request.

The complaints handling policy sets out our commitment to you, outlining the service you can expect when you contact Fundsdirect. It also gives details on our targets in responding to correspondence, together with assurance on the quality of our response.

If your complaint has not reached a satisfactory conclusion, you have the right to refer your complaint to the Financial Ombudsman Service (FOS), at the address of South Quay Plaza, 183 Marsh Wall, London E14 9SR. Telephone 0845 080 1800. A FOS brochure is available on request from Fundsdirect.

Governing Law

1. These Terms are governed by and are to be construed in accordance with English law. The information contained in these Terms and the Application is based on our understanding of current legislation and HM Revenue & Customs practice and could be affected by changes in legislation and practice. You will be notified should such changes to Terms be required
2. If there is any conflict between these Terms and the ISA Regulations or other legislation relating to your Account, the ISA Regulations and/or other legislation will prevail.

Fundsdirect Terms and Conditions

Terms & Conditions Specific to Individual Savings Accounts (ISAs)

The Terms & Conditions in this section apply to ISAs. Where they are in conflict with other areas then this section will take priority

Our ISA Manager services and your responsibilities

1. IFDL will be the ISA Manager and will administer the ISA in accordance with the ISA Regulations and these Terms & Conditions
2. In the case of any inconsistency between these Terms & Conditions and the provisions of the ISA Regulations, the latter shall prevail
3. The appointment of the ISA Manager shall take effect on the "Effective Date" being the date on which the ISA Manager receives the duly completed online Application Form and payment. You warrant that cheques will be honoured on the first presentation. The Terms & Conditions shall come into force on the Effective Date
4. The completed online continuous application form allows for subscriptions to be made each year without the need to re-apply, but ceases to be valid at the end of a tax year in you fail to make a subscription. If/when this happens, you will need to make a fresh online application before subscriptions can re-commence
5. IFDL as an ISA Manager will, in accordance with the Regulations, make reclaims, conduct appeals and agree on your behalf, liabilities for and relief from tax in respect of the ISA. You authorise IFDL as ISA Manager to provide HMRC with all applicable details of the ISA
6. You will provide IFDL as ISA Manager with all information that it may reasonably require to enable IFDL to carry out its duties as an ISA Manager. This will include your National Insurance Number and date of birth. The National Insurance Number may be obtained from your employer, tax return, pay slip, P45 or from your tax office. If you have retired it can be found on the front cover of your pension book
7. You also undertake to inform IFDL of any changes in writing, to the information given in the application or transfer form in respect of the ISA or if any of the declarations contained in the application form in respect of the ISA cease to be true. You will immediately inform IFDL in the event of your ceasing to be eligible to subscribe to or to hold an ISA

Subscriptions in respect of an ISA

1. The maximum annual subscription into a Stocks and Shares ISA is currently £10,200 for eligible investors. This maximum annual subscription amount may be varied in accordance with the ISA Regulations as amended from time to time.
2. Individual Savings Accounts (ISAs) were introduced on 6 April 1999, to replace Personal Equity Plans (PEPs) and the government has confirmed they will remain available indefinitely, with no set end date (previously ISAs were only available until 2010). They are tax efficient as currently there is no Capital Gains Tax paid on any profits made or tax on any money paid from the ISA. There is a flat rate 20 per cent charge paid to HMRC on interest credited
3. To open a Stocks and Shares ISA you have to be aged 18 or over and be resident and ordinarily resident in the UK for tax purposes. Crown employees, such as diplomats or members of the armed forces, who are working overseas and paid by the Government are eligible to open an ISA & their spouses or civil partners can also open an ISA
4. If you open an ISA in the UK and then go to work/live abroad, you cannot continue adding money into the ISA (unless you are a Crown employee working overseas or the spouse or civil partner of a Crown employee working overseas). However, you can keep your ISA, when you return, you can start putting money in again (subject to the normal annual limits)

Fundsdirect Terms and Conditions

5. You will be required to make a declaration to Fundsdirect that the information contained in your online application for an ISA is correct.
6. Fundsdirect reserves the right to require proof of status and eligibility for an ISA before accepting any application

Custody of ISA Investments

1. ISA investments must not be used by you as security for a loan

Transfers to your ISA Wrapper Account

1. IFDL will accept the transfer of cash, or acceptable securities into your ISA account from an ISA held by another ISA Manager – **See Fundsdirect Charges Schedule** (we would advise that there may be a charge levied by the existing ISA Manager, please contact them directly for more information)
2. IFDL reserves the right to refuse to accept any security which is not qualifying for an ISA under the Regulations

Transfers from your ISA Wrapper Account

1. On receipt of a written request from you or your adviser, and within the timescale stipulated by you, all or part of your investments held, and proceeds arising from your investments, shall be transferred to another ISA manager
2. On receipt of written request from you or your adviser, and within the timescale stipulated by you or our settlement period whichever is longer, all or part of the investments and proceeds arising from your investments, shall be transferred or paid to you

Un-invested cash held in a Stocks and Shares ISA

1. Cash may be held in a stocks and shares ISA only if it is intended to be invested into qualifying investments
2. ISA managers have a responsibility to monitor un-invested cash held within a stocks and shares ISA. We will write to you when you have held cash within your ISA for a period of time. Please be aware that if cash is not invested into qualifying investments within a reasonable timeframe HMRC may require us to return the cash to you

Termination by us

1. Subject to the Regulations, IFDL may terminate its role as the ISA Manager at any time by giving you written notice. At least 30 days notice will be given and shall be without prejudice to the completion of orders already initiated
2. IFDL will notify you if by reason of any failure to satisfy the provisions of the Regulations, the ISA has or will become void. As soon as practicable thereafter, IFDL will provide your options available i.e. to transfer the investments to your name, retain your investments within a GIA account under IFDL or redeem your investments and issue the sale proceeds accordingly. All will be subject to such deductions (if any) as IFDL as the ISA Manager may require to meet tax or other liabilities in connection with the ISA account

Withdrawals, Assignment and Termination by you

1. IFDL may refuse to accept a part withdrawal instruction if the value of the investments remaining in the ISA would be less than a £1,000
2. IFDL shall be able to delegate any of its functions or responsibilities as an ISA Manager provided that it is to a person or organisation whom IFDL is satisfied is competent and authorised to perform those functions or responsibilities

Fundsdirect Terms and Conditions

Cancellation

Rights

1. You are able to cancel your ISA up to 30 days after you receive our confirmation of its establishment (your "cooling off period"). However, if you have asked us to invest your funds, you may get back less than you contribute.
2. You may ask us to put your fund into your ISA Deposit Account for the 30 days of your 'cooling off period', and if you then decide to cancel, your ISA, you will receive back the original amount.

Bankruptcy of an ISA Investor

1. If we are notified under the Insolvency Act that you have been declared bankrupt we are required by HMRC to close your ISA. The date of closure will take effect from the date on which the Trustee's appointment takes effect, or, in the case of the Official Receiver, the date on which they become Trustee
2. Any interest or tax credits received after the appointment date will be returned to HMRC. All assets will be held pending further instructions from the Trustee or Official Receiver

Void, Invalid or Repairable ISAs

1. IFDL will notify you if, by reason of any failure to satisfy the provisions of the ISA Regulations, your ISA has, or will become void
2. If an ISA becomes void, IFDL will transfer any applicable investments into your GIA account. IFDL will deduct and return to HMRC sufficient cash to cover any tax liability incurred in voiding the ISA account
3. In some instances HMRC may inform us to repair an ISA in whole, or in part. IFDL will deduct and return to HMRC sufficient cash to cover any tax liability incurred in repairing the ISA account. IFDL may also be required to transfer applicable investments into your GIA account
4. IFDL will write to HMRC where you have insufficient cash or assets to cover any tax liability due to them. We will also write to you to in all instances to tell what action we have taken to repair or void your ISA