

Terms & Conditions

1. Definitions

“Reyker”, “We” or “Us” - Reyker Securities plc.

“Investor” or “You” - you, an individual whom we propose to treat as a Retail Client in accordance with the FSA’s Conduct of Business rules and for whom we act as nominee.

“Services” - the Nominee Services or ISA Wrapper as appropriate.

“ISA” - an Individual Savings Account.

“the ISA Regulations” - the Individual Savings Account Regulations 1998 as amended.

“HMRC” - Her Majesty’s Revenue and Customs

“FSA” - the Financial Services Authority, 25 The North Colonnade, Canary Wharf, London E14 5HS.

“Terms and Conditions” - these Terms and Conditions together with (if and as applicable) for an ISA Wrapper, a valid application for an ISA.

“appointed broker” - a third party appointed by you to carry out dealing on your behalf in a discretionary, advisory or execution-only basis or Reyker, if appointed by you to act in a discretionary basis.

“execution-only” - the basis upon which, unless acting for you as an appointed broker, all dealing is effected by us and consisting of execution and/or the reception and transmission of clients orders with ancillary services, at the initiative of the client.

“valuation dates” - 5th October and 5th April.

2. Introduction

2.1 Reyker is authorised and regulated by FSA.

2.2 Reyker is approved by the HMRC to act as an ISA Manager (stocks and shares only).

2.3 Reyker acts as your nominee and you will at all times remain the beneficial owner of cash and investments held for you by us.

2.4 Reyker will satisfy itself that any person to whom it delegates any of its functions or responsibilities is competent to carry out these functions and responsibilities.

2.5 Reyker does not have a cooling-off period.

3. Cash

3.1 We will deposit and hold your cash in one or more segregated client bank accounts with National Westminster Bank plc or with any other banking institution that is approved by FSA in accordance with FSA’s Client Money Regulations.

3.2 In any tax year you may subscribe to an ISA Wrapper up to the maximum amount permitted by the ISA Regulations.

3.3 Client bank accounts will earn interest at a rate being not less than that paid by National Westminster Bank plc on its Instant Access Solicitors’ Reserve Account but subject to de minimis limits as set out in Sec. 3.4 and Sec. 3.5 below. Where applicable interest will be credited to accounts quarterly on 5th January, 5th April, 5th July and 5th October.

3.4 Interest earned on cash held for your own account will be credited net of tax. Interest earned on cash held for you within an ISA Wrapper will be credited without deduction of tax if such interest amounts to £2.50 or more. In accordance with the ISA Regulations, Reyker will deduct a charge of 20% from such interest and account to HMRC for said deduction.

3.5 If you elect to withdraw income, all your income derived from securities will be credited to a client bank account set up specifically to accumulate such income. Income so accumulated (subject to retentions to cover any sums due by you to Reyker) at 5th January, 5th April, 5th July and 5th October will be paid to you as soon as is practicable following these dates provided that the amount due to you exceeds £5. No interest will be paid on income held pending distribution.

4. Investments

4.1 You authorise us to accept contract notes issued by or on the instructions of your appointed broker and to settle such contract notes out of your cash and securities held by Reyker as nominee.

4.2 Only qualifying securities as defined by the ISA Regulations may be bought for an ISA Wrapper. Categories of ISA qualifying securities are set out in our literature and you or your appointed broker should ensure that securities qualify before investing for an ISA Wrapper. When dealing directly with us on an execution-only basis, if you are in any doubt about the qualifying status of a security in which you wish to invest, you should ask us to verify it before dealing. An instruction to buy a non-qualifying security using cash held in an ISA Wrapper may be treated by us as a withdrawal from the ISA Wrapper.

4.3 Purchases and sales effected by us on your instructions may be made on any market and through any intermediary that we select in accordance with our Order Execution Policy. We will only accept investment instructions by telephone during market trading hours and such instructions will only be effective for the trading day on which they are received. Investment instructions received in writing, by post, by fax or by e-mail, will be executed as soon as possible after receipt but we cannot be held responsible for delays in delivery of such instructions however caused. If you give an instruction to deal via one medium (eg phone or fax) and then decide to confirm that instruction via another (eg fax or letter), you should ensure that you make quite clear that you are confirming an instruction already given. If you do not then your second instruction may be treated as a new and separate dealing instruction and executed as such. You will be liable for any costs incurred in reversing any such duplicated transactions.

4.4 We will advise you of any changes that may occur to any investment that we hold for you as nominee resulting from a take-over or other offer or scheme of arrangement or where rights or similar benefits arise.

4.5 Where we hold partly paid shares for you, we may at our absolute discretion sell such number thereof as may be necessary in order to pay any calls or instalments due on the balance held.

4.6 We will collect dividends, interest on securities, interest on deposits and other distributions and benefits due in respect of investments held for you. In respect of an ISA Wrapper you authorise us to claim from the HMRC repayment of income tax deducted from interest received from securities held within said Wrapper.

4.7 We may combine your orders with the orders of other customers and with our own orders or orders of associated companies and persons connected with Reyker. The combining of orders may result in a more or less favourable price being achieved than if your order had been executed separately. We will arrange for the execution of orders as soon as is reasonably practicable given the prevailing circumstances after instructions have been received.

4.8 Where your securities are held in our nominee service on a non-discretionary basis, we will not exercise the voting rights attached to such securities without the receipt of a specific written or electronic instruction from you.

5. Suitability and Appropriateness

5.1 When dealing directly with us on an execution-only basis, we are not required to assess the suitability of the instrument or services offered and therefore you do not benefit from the protection of the rules on assessing suitability.

6. Order Execution Policy

We have an established Order Execution Policy. Details of this policy are available upon request or can be obtained from our website.

7. Custody

7.1 All securities and documents of title relating thereto held in relation to the Services shall be held by us or to our order. Investments will be registered in the name of Reyker Nominees Ltd, a wholly owned non-trading subsidiary of Reyker for which Reyker accepts liability in

accordance with Clause 11 below.

7.2 We may not lend to a third party documents of title or securities otherwise held by us or on our behalf as nominee, and investments held within an ISA Wrapper may not be charged as security for any borrowings.

7.3 We reserve the right to round fractional entitlements to shares issued as a result of scrip dividends, dividend reinvestment plans, rights issues or other corporate actions.

8. Provision of information

8.1 Within twenty-five working days of each of the valuation dates we will provide you with a transaction summary and valuation. This will show as at the relevant valuation date investments held and their values, the balance of cash held and, in respect of investments held within an ISA Wrapper, any balance due from HMRC in respect of tax reclaimed but not received at the date of the statement.

8.2 We will notify you if by reason of failure to comply with the ISA Regulations, any element of your ISA Wrapper has or will become void.

8.3 Confirmation of any transaction, together with all charges relating to it and the net contract total, will be dispatched to you promptly and as soon as practicable unless we have received instructions to the contrary.

8.4 We will retain records of account transactions for six years in accordance with regulatory requirements.

9. Rights relating to investments

9.1 If you so elect in writing, we will arrange for you to receive copies of annual reports and any other information issued by companies to shareholders and for you to attend and vote at shareholders’ meetings.

9.2 Shareholder benefits will not necessarily be available to you automatically as your stock will be registered in the name of our nominee company but at your request we will use our best endeavours to obtain such benefits for you.

10. Remuneration

10.1 You will pay us a fee for the provision of nominee services on 6th October and on 6th April each year, such fee to be based upon rates published by Reyker in its sales and marketing literature. Fees are not refundable in the event that the provision of nominee services is terminated for whatever reason by either you or by us.

10.2 In addition we shall be entitled to recover from you all stockbroker’s fees, stamp duty and any custodial fees charged by third party agents (CEDEL, Euroclear etc) where we act as nominee in respect of non-UK investments held overseas. We may realise investments held for you as nominee, whether in relation to the Nominee Services only or within an ISA Wrapper, for the purposes of recovering fees and taxes due to us under this clause.

10.3 We shall be entitled to charge £20 for the provision of ad hoc and Probate valuations.

10.4 All transactions are subject to a stock settlement levy of £2.50 per transaction.

11. Liability

We shall not be responsible for any loss or damage or depreciation in value of the investments or for any failure to produce a return on capital invested howsoever arising by reason of the exercise or non-exercise of the powers and duties undertaken in this agreement by us except insofar as the loss or damage results directly from the fraud or wilful default or negligence of Reyker, its associates or officers or employees or by reason of breach of any of the Rules of FSA.

12. Changes in your status

You will promptly notify us of changes of name, address or in your country of residence for tax purposes

13. Withdrawals, terminations and transfers

13.1 You may (subject to payment for any outstanding transactions, accrued fees and expenses and for sums due under these Terms and Conditions and the ISA Regulations as the case may be) at any time withdraw all or part of your investments or cash. We may at our absolute discretion close your ISA Wrapper in the event that, following a withdrawal, it has a value of less than £250.

13.2 Either you or we may terminate this agreement without penalty by giving notice to the other party, any notice given by us being not less than 30 days written notice. Upon issue of such a notice we will forthwith either transfer or procure the transfer of your investments and cash held for you either directly to you or to your order. If so instructed by you, we will transfer an ISA Wrapper or a part thereof under Paragraph 13.3 below.

13.3 At your request and subject to compliance with the ISA Regulations as appropriate, an ISA Wrapper or a part thereof and the associated rights and obligations of the parties hereto may be transferred to another ISA manager upon you giving at least one month’s notice in writing to us. We will effect the transfer within 30 days of receipt of you giving notice and may charge an additional fee for effecting such a transfer, the rate of such fee being published in our sales and marketing literature.

13.4 In the event of your death your personal representatives will continue to be bound by these Terms and Conditions until your investments are transferred to them or the proceeds of the sale of such investments are paid to them.

14. Notices and instructions

14.1 Any notice given by you to us under this agreement shall be sent in writing to Reyker Securities plc at 46 St James’s Place, London, SW1A 1NS.

14.2 Any notice to be given to you by us shall be sent in writing to the address that you provided to us and we may act and rely upon any instruction appearing to be signed by you. We shall be entitled to contact you otherwise than in writing for the purposes of obtaining instructions in relation to the investments held for you as nominee or otherwise in relation to the Services.

15. Complaints Procedure

15.1 Reyker has an established complaints procedure, details of which are available upon request. We are members of the Financial Ombudsman Scheme.

15.2 As a retail client of Reyker, you would receive the protection of the Financial Services Compensation Scheme in the unlikely event that Reyker was to fail as a company.

16. Conflicts of Interest Policy

Reyker has an established Conflicts of Interest policy. Details of this policy are available upon request or can be obtained from our website.

17. Data Protection Act 1998

We may process personal data relating to you in carrying out our duties under these Terms and Conditions. We are bound by the Data Protection Act as to what we may do with such data. You are entitled, on payment of a fee, to a copy of the information that we hold about you.

18. Amendments

Subject to not less than 30 days notice in writing and subject to us having valid reason for so doing, we may vary any of these Terms and Conditions and our commissions and charges as published in sales and marketing literature, save that no variation shall be made which results or which might result in the ISA Wrapper ceasing to comply with the ISA Regulations.

The following are valid reasons for a variation of our Terms and Conditions:

- changes in law, regulations, industry guidance or codes of practice;
- to accommodate variation(s) in taxation rates;
- to reflect in a proportionate way, legitimate cost increases or reductions associated with the provision of ISA Wrappers and Nominee Services..

19. English Law

This agreement shall be governed by English Law and shall be subject to the jurisdiction of the English Courts.