

# **Fundment Platform**

## **Terms of Business**

August 2020

These Terms and Conditions form the legal agreement between you and Fundment Limited.

### **Information about us and our regulator**

Fundment® is the registered trademark of Fundment Limited, which is authorised and regulated by the Financial Conduct Authority (with firm registration number: 732727) and is an HM Revenue & Customs approved ISA plan manager. The company is registered in England and Wales with Company No. 08884918 and registered office at Mappin House, 4 Winsley Street, London, W1W 8HF.

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## GENERAL TERMS

These are the terms and conditions ("**Terms and Conditions**") on which we, Fundment Limited ("**Fundment**") (incorporated and registered in the United Kingdom under company registration number 08884918, the registered office of which is at Mappin House, 4 Winsley Street, London, W1W 8HF will allow you to open an account with us via our website <https://fundment.com> (the "**Website**").

These Terms and Conditions should be read in conjunction with our privacy policy available here <https://fundment.com/info/privacy-policy> (the "**Privacy Policy**") which sets out how we deal with your personal information and privacy. By entering into this Agreement and using our services you consent to the use of your personal information by us and others in accordance with the terms of our Privacy Policy.

These Terms and Conditions contain important information relating to the services that we will provide to you. Please read these Terms and Conditions carefully before using the Website. By using the Website, you agree to be bound by these Terms and Conditions. If you are unsure of anything in these Terms and Conditions or require further information from us, please email [support@fundment.com](mailto:support@fundment.com) or give us a call at 0203 637 9210

Fundment is authorised and regulated by the Financial Conduct Authority (the "**FCA**") (FCA registration number 732727). Thus, Fundment is subject to the rules set out in the FCA's Handbook of Rules and Guidance (the "**FCA Rules**").

In these Terms and Conditions references to **we/our/us** are to Fundment. References to **you/your** are references to any person using the Website for the purpose of using the services offered on the Website or for operating an Account with us.

These Terms and Conditions, together with information provided by you in your profile and through your account on the Website (your "**Account**") constitute the Investment Services Agreement ("**Agreement**") between you and us for the provision of the services set out in these Terms and Conditions.

Fundment does not provide financial planning or investment advice and you acknowledge that you will not receive advice from us relating to whether our services are suitable for you.

**In addition to this document, please ensure you have read other documents issued to you by us. They include:**

- a) Key Features
- b) Illustration
- c) Risk Warnings
- d) ISA/JISA Terms and Conditions, and Declarations (if applicable)
- e) Fundment Pension Terms and Conditions, and Declarations (if applicable)
- f) Fee instructions

## **1. COMMENCEMENT**

- 1.1 These Terms and Conditions will commence, and therefore become legally binding, from the moment you apply to open an Account with us. We will then update you once we have processed your application to open an Account (subject to satisfactory completion of money laundering verification information as detailed in **clause 8.3**).
- 1.2 These Terms and Conditions shall continue indefinitely until terminated in accordance with **clause 19** below.

## **2. THE FUNDMENT PLATFORM SERVICES**

- 2.1 The Fundment platform is only available through authorised Financial Advisers and provides the following investment services (where applicable):
- i. Safe custody of client assets and money
  - ii. Arrange and execute investment transactions
  - iii. Process all fees, costs and charges including rebates
  - iv. Daily reporting of performance through the online system
  - v. Quarterly monthly valuation statement with details of all transactions effected
  - vi. Annual tax voucher with details of income and distributions for the relevant tax year.
- 2.2 The Account types that can be opened through the Website are:
- 2.2.1 **General Investment Account:** Please see the General Investment Account (GIA) Terms of Business for more details;
- 2.2.2 **Individual Savings Account ("Stocks and Shares ISA"):** Please see the ISA Terms of Business for more details;
- 2.2.3 **Fundment Personal Pension ("Pension"):** Please see the Fundment Pension Terms of Business for more details.

## **3. CLIENT CATEGORISATION**

- 3.1 You have been classified as a Retail Client for the purposes of the FCA Rules in relation to the services which we will provide to you under this Agreement. You may request to be re-classified as a Professional Client, but any such re-classification will be subject to you satisfying certain requirements set out in the FCA Rules.
- 3.2 As a Retail Client, you are entitled to certain protections afforded to Retail Clients under the FCA Rules. If you would wish to be classified as a Professional Client, there would be limitation on the level protections that you would receive. If you would like further information in relation to these protections, please email our Compliance Officer at [support@fundment.com](mailto:support@fundment.com).

#### **4. ELIGIBILITY**

4. You must be at least 18 years of age to use Fundment's services unless where expressly provided in these Terms in relation to a Junior Pension or Junior ISA application for a Child.
- 4.1 You must have a UK National Insurance Number.
- 4.2 We will only take instructions in relation to:
  - i. an Account opened on behalf of a Child from, and communicate with, a Registered Contact but will cease to do so if when we are notified that the Registered Contact is no longer the legal guardian or no longer has parental responsibility; and
  - ii. in relation to Corporate or a Trust Account (a Nominated Contact)
- 4.3 To open an Account with Fundment, you must be the sole or joint holder of a
  - iii. UK bank account; or
  - iv. existing UK investment account(s) which is to be transferred to Fundment

#### **5. JOINT AND CORPORATE ACCOUNTS**

- 5.1 You may request a joint account in the name of two or more persons (as indicated on your online application form. The account will be administered on a joint ownership basis. This means the assets are held without division by two or more persons. It typically also means that upon the death of one account holder, the ownership of the assets in the Joint Portfolio automatically passes to the surviving account holder(s), who shall have full authority over the account. All parties to the Investment Account(s) in the Joint Portfolio are customers under these Terms and will be held jointly and severally liable for all obligations under these Terms, which means they are individually bound by all of our Terms.
- 5.2 Corporate or Trust Portfolio may be requested by a company or a trust and to which we have agreed to provide the Services. We will accept instructions or Orders from and give notices and other communications to, the relevant nominated contact person(s) who may be chosen when the Investment Account(s) are set up on-line. Instructions or Orders from the nominated and authorised contact person will bind the trust or company.

If you are a trust and we have agreed to provide you with Services under these Terms, then all of the trustees of the trust account are customers under these Terms and not the beneficiaries of the trust. You must also inform us promptly when a trustee dies or retires, as in this event, the remaining trustees continue to be bound by these Terms. A Corporate or Trust Portfolio may only contain a GIA.

## **6. YOUR FINANCIAL ADVISER AND INTERMEDIARIES**

- 6.1 If you have appointed an adviser, notwithstanding our obligations set out in this Agreement, they will be act as your agent with us, are responsible for any financial planning services and assessing the suitability of any investment platform they recommend to you. The Adviser must be registered with Fundment and have entered into an agreement with Fundment to access our platform services before we can open an Account for you.
- 6.2 You authorise us to accept instructions from your Financial Adviser on your behalf as if they had come directly from you. This includes, where necessary, the authority to add, amend, or make changes to the Account. You agree you will accept full responsibility for all the instructions made by your adviser on your behalf and provided to us under this clause. You agree to release Fundment from any liability for executing instructions provided by your adviser except for any loss or damage arising out of gross misconduct or negligence by Fundment.
- 6.3 Where you confirm that your adviser can have access to our Account, please note that your adviser will not have access to your bank account details and will not be able withdraw any funds from your Account.
- 6.4 When we arrange the payment of adviser charges, our payment to the adviser will meet your contractual responsibility to pay the charges that you agreed for the relevant service provided to you.
- 6.5 In the event that your adviser has ceased to be authorised by the FCA, no longer exists or ceases to act as your adviser, we will mark your Account as "**Unadvised**" and await information on an appointment of a new adviser. Meanwhile, we will continue to maintain your account based on existing account information that are in place with us. As an unadvised client, please note that we reserve the right to amend the terms of any ongoing services to you.
- 6.6 Where you and/or your financial adviser have appointed a third-party investment manager in respect of the management of model portfolios on your behalf, the responsibilities of such third-party investment manager should be detailed in their agreements with you and/or your financial adviser.
- 6.7 When you change intermediary, your annual charge might change for the products you hold through that intermediary.

## **7. PAYMENTS TO YOUR FINANCIAL ADVISER AND INTERMEDIARIES**

- 7.1 You may only have one intermediary at any one time, and we will facilitate adviser fees only to the adviser we have recorded against your account. Notification of a new adviser will automatically result in the removal of any previously appointed adviser.
- 7.2 The adviser charges, service charges and any discretionary fund manager charges you have agreed to pay are a matter between you and your financial adviser.
- 7.3 When we facilitate the adviser charge, service charge or discretionary fund manager charge, we will be making payments at your direction and on your behalf. It is not a

payment for any services provided to us except otherwise stated. Payment of the adviser charge, service charge and discretionary fund manager charge is separate to the payment of any charges that are payable to us in relation to services provided to you in accordance with these terms and conditions.

7.4 We can facilitate the payment of:

- i. initial, ongoing and ad-hoc adviser charges that have been agreed between you and your adviser.
- ii. charges by discretionary investment managers that have been agreed between you and/or your adviser and the discretionary investment manager.

in each case where notified to us by you, or your adviser on your behalf.

7.5 We may cease facilitating payment of all or part of an adviser charge, service charge and/or a discretionary fund manager charge for any of the following reasons:

- a) we believe the adviser charge and/or discretionary investment management charge would be against the law and regulation.
- b) your adviser and/or discretionary investment management is no longer authorised by the Financial Conduct Authority.
- c) your adviser and/or discretionary investment manager is no longer trading.
- d) we have received instructions from you or your financial adviser that you no longer wish to be invested in a model portfolio provided by the discretionary investment manager.

7.6 If you would like us to stop arranging the payment of charges to your Financial Adviser, you should notify us in writing. You can do this at any time.

7.7 It is your responsibility to ensure there is sufficient cash in your account to meet any platform charge, adviser charge and/or discretionary investment manager charge.

7.8 We will confirm the applicable fees relevant to each of your account in our illustration document and fee instruction issued as part of creating your account with us.

## **8. OPENING YOUR ACCOUNT**

8.1 To open an Account with us you or your adviser, acting as your agent, must fully complete our online application process. The online application process can also be completed in part or fully through any third-party system that we have enabled on our platform.

8.2 We may make available the completion of our account opening process by other means such as paper forms at our discretion.

- 8.3 Once we receive a fully completed application from you in accordance with **clause 8.1**, we will take all necessary steps to verify your identity. We may approach a third-party identity verification agency to confirm your identity. The checks will include, but are not limited to, verifying an address matching your nominated bank account. By applying to open an Account with us, you acknowledge and authorise such checks to be carried out. We may also, at our sole discretion, require you to provide additional information in order to verify your identity.
- 8.4 Where we receive an application from you in accordance with **clause 8.1** and we suspect fraud, you agree that we can share this information about you with any fraud prevention agency.
- 8.5 We reserve the right to refuse your application at our sole discretion and you agree that should we refuse your application we will not be required to provide you with our reasons for doing so.
- 8.6 Should you cease to become a UK resident for tax purposes, you must inform Fundment immediately. Depending on the type of Account you have with us, if you cease to be a UK resident for tax purposes this may affect the returns that you receive from the investments held within your Account.

## **9. YOUR ACCOUNT AND INSTRUCTIONS**

- 9.1 Where your account is created through your adviser, they are responsible for providing you access to the service by issuing you with a username and password enabling you to access your Account. The level and scope of your access is determined by your adviser.
- 9.2 You will be responsible for maintaining the security of your Account and should not share your login details with any third parties. You are required to contact Fundment immediately if you believe the security of your username and password has been compromised. We may contact you on any matter relating to your Account, including contacting you by telephone in relation to the investments held within your Account (or would be held within your Account if a particular transaction takes place).
- 9.3 We may act on any instruction which we believe in good faith was received from you. We will not be liable in the event that we carry out such instruction in good faith if it subsequently transpires that such instruction was not genuine or was not given by you, nor will we be liable for any error of transition or misunderstanding or fraud of any other party save that we do not exclude liability in the event that we are grossly negligent, carry out any wilful default or fraud as further described in **clause 29** below.
- 9.4 Without prejudice to **clause 9.3** above, we will aim to act on any instructions received by you as soon as it is practicable for us to do so. This will be provided through the Website



- 9.5 We will not be obliged to act on any instruction received by you and we will not act on any instruction which is, or which we believe to be, illegal or would breach any relevant rule or regulation.
- 9.6 Where your adviser, acting as your agent, has appointed a third-party investment manager to manage your Portfolio:
- i. we will act on the instructions of the third-party investment manager or your adviser;
  - ii. we are not responsible for monitoring your investments and do not accept responsibility for any failure to act on the part of your adviser or the third-party investment manager.

## **10. MODEL PORTFOLIOS**

- 10.1 With respect to model portfolios used by advisers on our platform, the performance presented in client accounts may differ from the performance of the model portfolio for several reasons such as:
- i. Inability to trade an instrument due to size of a portfolio
  - ii. Timing of investments
  - iii. Realisation and/or redemptions of investments

## **11. YOUR INITIAL INVESTMENT**

- 11.1 We require an initial minimum investment to be made into your Account of either:
- 11.1.1 £1,000 with the establishment of a regular monthly payment plan with a minimum monthly payment of £100.
  - 11.1.2 If you are opening a Personal Pension, we require a minimum investment of £5,000
- 11.2 If you withdraw money from your Account so that the value of the investments held within your Account is below £1,000, we reserve the right to sell the remaining investments in your Account. The proceeds of any such sale of your investments will then be held as cash in your Account until such time as:
- 11.2.1 you withdraw this amount; or
  - 11.2.2 you invest additional money which amounts to a minimum balance on your Account of £1,000, at which point we will reinvest that money into investments in accordance with your Account settings (such as your investment objective).
- 11.3 Any income earned on investments held in your Portfolio and which is payable to you will be remitted to your Portfolio and we may reinvest such amounts on your behalf.

## **12. MAKING A DEPOSIT**

- 12.1 You can make a deposit into your Account through the Website by using a:
  - 12.1.1 bank transfer; or
  - 12.1.2 direct debit; or
  - 12.1.3 cheque payment; or
  - 12.1.4 account transfer from a relevant provider.
- 12.2 While we accept deposits received from you by way of cheque, this is not our preferred method of payment and may result in a delay in processing the relevant payment into your account
- 12.3 You may elect to set-up recurring contributions along with your initial contribution.
- 12.4 Contributions can be made into the Fundment ISA subject to HMRC regulations and you are responsible for ensuring that you do not exceed the allowed limits.
- 12.5 We reserve the right to refuse further contributions from you or any other third party, e.g. an employer, where you or the third party are listed on any sanction list of Her Majesty's Treasury or any other sanctions list.

## **13. TRANSFERS (CASH)**

- 13.1 To begin a cash transfer, we require fully and completed application and transfer activation forms signed by all holders or required signatories. When we receive signed forms, we and/or our partners will contact your existing provider(s) to arrange the transfer.
- 13.2 We will not accept responsibility for any loss to you resulting from any delays, acts or omissions by your existing provider that are outside our control.

## **14. TRANSFERS (RE-REGISTRATION)**

- 14.1 To begin a re-registration, you we require a fully and completed application and transfer activation form signed by all holders or required signatories. When we receive signed forms, we and/or our partners will contact your existing provider(s) to arrange the transfer.
- 14.2 We will not accept responsibility for any loss to you resulting from any delays, acts or omissions by your existing provider that are outside our control.
- 14.3 We will enable transfers for all allowable investments into all products. Investments that are re-registered remain invested in the market.
- 14.4 If rebate payments are payable by the relevant investment provider on any re-registered investments, you agree to us converting these investments into "clean" share classes of the same investments, meaning that rebates will no longer be payable on the investments.

## **15. CUSTODY AND NOMINEE COMPANIES**

- 15.1 Fundment is your Custodian and we place all client assets with a Sub-Custodian, chosen by us in accordance with the FCA Rules. The Sub-Custodian will hold your assets in compliance with the FCA Rules, securely in a pooled client account, and separately from our assets or those assets of the Sub-Custodian.
- 15.2 We shall not be responsible for any acts, omissions or default of any Sub-Custodian unless and only to the extent such results directly from our own negligence, fraud or wilful default in our selection, appointment and periodic review as required under the FCA Rules. We are not obliged to notify you before terminating any relationship with a Sub-Custodian and appointing a replacement.
- 15.3 We will record and hold all client assets separately from any of our own investments and other assets, and in such a way that we can identify your entitlement at any time. Assets held on your behalf by the Nominee may be held in an account pooled with the investments of our other customers. This means that your investments may not be individually identifiable on the relevant company register by separate certificates or electronic records. However, records in our systems make your individual entitlement clear. As a result of your investments being pooled with those of our other customers, in the event of a default by us (or of any Sub-Custodian) which causes an irreconcilable shortfall in the assets held in the pooled account, you may not receive your full entitlement and you may share proportionately in that shortfall with the other customers.

## **16. CLIENT MONEY**

- 16.1 We will hold your money as Client Money in accordance with the FCA Rules which, among other things, require us to hold your money in a designated client bank account, in compliance with the FCA Rules. This means, amongst other things, that our Client Money Bank will hold your money in a designated client bank account which is an account kept separate from our own funds.
- 16.2 When selecting which third party bank to use, we will exercise all due skill, care and diligence and will periodically (at least annually) review the adequacy and appropriateness of any bank where your money is deposited and of the arrangements for holding your money, in accordance with the FCA Rules.
- 16.3 When we hold uninvested money on your behalf, we will make reasonable steps to identify a bank with a competitive interest rate. The rate of interest payable on that account will be determined by the bank. The amount that is credited to your Account will be determined by the bank, and we will notify of the interest and interest payment to your account from time to time.
- 16.4 We may also allow another institution such as an exchange, clearing house, overseas settlement agent or other intermediate broker to hold or control your money, but only if we transfer your money for the purpose of a transaction through or with that person or to meet any obligation that you may have to provide collateral (for example, margin) for a transaction. If we do this and where required to do so under the FCA

Rules, we will endeavour to ensure your money is held as Client Money under the FCA Rules.

- 16.5 We are not obliged to notify you before terminating any relationship with the Bank and appointing a replacement.

## **17. UN-ADVISED TRANSACTIONS (EXECUTION ONLY CLIENTS)**

- 17.1 Where you are enabled to use our execution-only service and allowed to use our platform for un-advised transactions on which a Financial Adviser has not provided advice, we may execute the transactions for you on that basis.
- i. we accept no responsibility on the suitability of any investments or transactions executed on this basis.
  - ii. the protections available to retail clients by the rules and requirements on suitability will not apply to you in relation to the transactions.
- 17.2 If you send us instructions to trade in Complex Instruments, we are required to assess appropriateness of the product for you and we will carry out an assessment either at account opening or at the point of your request to deal. We may refuse to accept your instruction if we have reasons to believe you do not understand the risks involved in the Complex investment you have requested.

## **18. EXECUTION OF INVESTMENTS**

- 18.1 You and your adviser should not place an order to trade unless we have received sufficient funds to cover the total consideration of all relevant transactions, including all associated fees, expenses and charges.
- 18.2 We may combine your orders with orders for other clients where such combination is unlikely to result to the disadvantage of you or any of the other clients. However, it is not impossible that such aggregation of orders may sometimes operate to your advantage and at other times, to your disadvantage, by giving you a higher price or lower price than would have been the case had your order being placed separately.
- 18.3 We may rely on all orders and other instructions or communications received via our Website or by phone that are given by you or your Financial Adviser or anyone else using your log on details, or other instructions which we reasonably consider to be authorised by you or your Financial Adviser;
- 18.4 Where you hold an investment within an ISA or a Pension that ceased being an allowable investment under the regulations as a permissible investment that can be held within a registered pension scheme or an ISA, we must sell the investment as soon as practicable after it has been identified. You may be liable for the charges incurred in selling that investment.

- 18.5 We will treat the instruction as confirmation that you have read the all relevant documents for that Investment, understood the risks associated with it, the required regulatory disclosures and, where relevant, taken financial advice.
- 18.6 In accordance with the FCA Rules, we have implemented an execution policy which sets out the steps we take in order to act in accordance with the best interests of our clients when receiving and transmitting client orders for execution. A summary of our Execution Policy is available on our Website and a hard copy can be obtained upon request.
- 18.7 We may, in our reasonable discretion, refuse to accept and/or execute an Order when to follow them would cause to breach our legal or regulatory requirements or when we believe that on reasonable grounds that to follow them is not practical and would cause us financial loss or reputational damage.
- 18.8 An Order given by you or by your Financial Adviser constitutes an irrevocable commitment to buy or sell investments. Once accepted by us, your Order cannot be amended or cancelled by you or your Financial Adviser, unless, before its execution, you or your Financial Adviser contacted us to request cancellation or amendment and you or they have received specific confirmation from us of any amendment or cancellation of your Order.
- 18.9 You agree that we may arrange for any Order to be executed with or through an intermediate broker, and that such third party may or may not be in the United Kingdom. Where we do this, we, rather than you, will be treated as the Executing Broker's client for the purposes of the FCA Rules.
- 18.10 Orders for non-standard or extended settlement will not be accepted, and nor do we accept stop loss or limit orders.

## **19. DIVIDENDS AND INCOME FROM YOUR INVESTMENTS**

- 19.1 We are responsible for receiving and recording any dividends, income and interest in respect of investments you hold through us. For certain types of account, you can choose to have dividends and income paid to your bank account on a regular basis.

## **20. WITHDRAWAL**

- 20.1 Withdrawals can be made by submitting a "**Withdrawal Request**" through the 'Withdrawal' section of the Website. Customers can select the specific Investment Account from which they want to withdraw funds and enter the amount they want to withdraw.
- 20.2 Once the Withdrawal Request has been submitted, the withdrawal would move into a status of 'Withdrawal - Pending' on the transactions page of the secure website. This status will be updated to 'Withdrawal' once the money has been transferred to your nominated bank account.
- 20.3 Save for the account referred to in **clause 20.2**, once you have made a Withdrawal Request, we will then arrange for electronic payment to the bank account which was

used to deposit funds into your Account under **clause 14** or, if no such bank account was used to make such a deposit (for example, where you deposited money into your account by cheque or transfer), the money will be deposited into the bank account into which you instruct us to make the payment (your "**Nominated Bank Account**").

- 20.4 Your Nominated Bank Account will be a bank account in your name, the details of which you will have notified to us when opening an Account with us. Where you have provided us with new bank details through your Account on our Website, this will automatically become your Nominated Bank Account. Unless otherwise indicated, we will not accept or make third party payments on your behalf. All receipts and withdrawals of money and investments must be received from, or paid to, your Nominated Bank Account.
- 20.5 Prior to transferring funds to the Nominated Bank Account, we will seek to automatically verify it. If this is not possible, we may need to seek additional proof of verification, such as a copy of a bank statement. If verification is not possible, we will be unable to process the Withdrawal.
- 20.6 While we will use best endeavours to action a Withdrawal Request within 24 hours of receiving a Withdrawal Request from you, we do not guarantee that this timescale will always be met. In any event, payments will be issued within 7 working days of a Withdrawal Request being received from you.
- 20.7 We may refuse to action a Withdrawal Request on any Account if it would leave you with insufficient funds in your Account as required in order to pay any unsettled trades or charges. We may also refuse or delay processing a Withdrawal Request if we have reason to believe:
  - 20.7.1 the Withdrawal Request was not received from you;
  - 20.7.2 your Account has been comprised and/or is being fraudulently used; or
  - 20.7.3 the bank details we have on record in relation to your Nominated Bank Account are not valid.

## **21. FEES AND CHARGES**

- 21.1 Our fees and charges in relation to the services we provide are outlined in the Fee Schedule, which will be issued on completion of your account opening.
- 21.2 Fees and charges will be deducted from your Account at the end of each month in arrears. Where your Account does not have sufficient funds to pay our fees and charges, we reserve the right to sell any investments held as part of your portfolio to cover our fees and charges.
- 21.3 Where you ask to terminate your Account under **clause 26**, you will be required to pay any fees that have accrued up to and including the date that your Account is terminated.
- 21.4 Where you request a withdrawal or transfer out of more than half of your initial investment (including transfers and deposits) within a year of the initial investment

being made, we reserve the right to charge a fee equivalent to one year's fee that would have accrued to us had there been no transfer out or withdrawal.

- 21.5 We reserve the right to change our fees and charges from time to time and we will notify you of such changes in accordance with **clause 23**.

## **22. CORPORATE ACTIONS**

- 22.1 When we receive notice of any corporate actions which affect investments held in your portfolios, we will undertake the actions below on your behalf:
- a) where it relates to an investment held within a model portfolio, we will take instructions from the relevant third-party manager;
  - b) where it relates to any other investment, we will in turn notify You or your adviser and depending on the arrangement you have with your adviser, they may contact you in order to decide what action to take.
- 22.2 When we provide you with notice of a corporate action, you or your adviser are responsible for ensuring that instructions are provided to us by the time stated in the notice. If we do not receive an instruction within the terms and timing of the notice, any default option specified in the notice will be applied on your behalf.
- 22.3 We will not notify you of proxy voting rights arising from any of your investments. If you wish to attend or otherwise vote in relation to share, asset or unit holder meetings, you or your Financial Adviser should contact us.
- 22.4 Where a Corporate Action results in a fractional entitlement to part of a share and/or to the fractional entitlement to Income, you authorise us to round down your entitlement to the nearest whole number and agree that any fractional entitlement received that cannot be divided on a pro rata basis will be retained by us.
- 22.5 You or your financial adviser shall be solely responsible for instructing us to exercise your rights or to deal with take-over or other offers or capital reorganisations. If no instruction is received and the offer is declared unconditional in all respects, we will automatically accept the offer on your behalf.

## **23. NOTIFICATIONS**

- 23.1 We will provide you with notices, information and any other relevant correspondence relating to your Account by email to:
- (i) such email address provided by you when creating your Account; or
  - (ii) such email address as you may notify us from time to time by updating your Account details.
  - (iii) if you do not have an email account, we reserve the right to send communications to your appointed adviser or intermediary to forward information to you



- (b) As well as sending an email to you in accordance with **clause** 23.1, we may also communicate with you by sending you messages directly to you through your Account.
- 23.2 All communication in relation to this Agreement and any related services will be in English.
- 23.3 It is your responsibility to ensure the contact details provided by you to us in your Account are up to date at all times.
- 23.4 We offer no guarantee that any electronic communications will be successfully delivered or that they will be secure and free from viruses. In the event that a communication sent by us is not received by you for any reason beyond our reasonable control, we will not be liable for any loss, damage, expense, harm or inconvenience caused as a result of the same.
- 23.5 We may record and monitor telephone conversations we have with you and we may retain copies of any correspondence received by you whether received by email or otherwise. We will store copies of such recordings and correspondence for in accordance with our legal obligations.

## **24. CONFIDENTIALITY**

- 24.1 In providing its services under this Agreement, neither Fundment nor its Affiliates shall be obliged to disclose or to take into consideration (or to require any third party to disclose or take into consideration) any information:
  - a) the disclosure or use of which might breach any prohibition, duty or confidence to any other person or arising under any applicable law; or
  - b) which comes to the notice of an employee, officer or agent of Fundment or of an Affiliate, but properly does not come to the actual notice of an individual managing the Portfolio; or
  - c) relating to the nature or extent of any interest Fundment or any Affiliate has in any investments.
- 24.2 Each Party shall treat confidential information as confidential and shall not disclose such information except if:
  - (a) it is required to do under any applicable law;
  - (b) it is so requested by regulatory or fiscal authorities or a court or tribunal of competent jurisdiction;
  - (c) it is disclosed in confidence to its advisers, auditors or solicitors where reasonably necessary for the performance of their professional services; or
  - (d) it is disclosed in confidence to its industry body for the purpose of compiling and publishing industry statistics or analysis.



- 24.3 Notwithstanding **clause** 24.2 Fundment may disclose in confidence any Confidential Information to any person (including, without limitation, Affiliates or any other persons) as may be required in order to perform the services and to enforce its obligations and rights under this Agreement.
- 24.4 The parties agree that damages may not be an adequate remedy for any breach of this **clause** 24 and, accordingly, each party shall be entitled (but not limited) to seek injunctive or other equitable relief restraining the other from breaching this clause.

## **25. REPORTS AND VALUATIONS**

- 25.1 You will receive valuation reports from us or our custodian every three months within 25 business days of the end of the relevant three months. These reports will contain details of all transactions during the period to which the report relates and shall contain details of your Account, the current market value, the basis of such valuation, income, any interest and fees charged.
- 25.2 We provide no warranty, representation or assurance as to the accuracy of these reports, save as required under the FCA rules.

## **26. TERMINATION**

- 26.1 We may terminate this Agreement at any time by giving you 30 days' notice. The cancellation notice will be distributed through your adviser by email, subject to the settlement of all outstanding transactions.
- 26.2 You may terminate this Agreement through your adviser at any time provided you give us 30 days' notice. Your adviser must be notified first before Fundment is notified.
- 26.3 In the event that this Agreement is terminated, we will execute all outstanding transactions as soon as reasonably possible. Where you terminate this Agreement under **clause** 26.2, you acknowledge that the value of the investments held in your Account at the time the request to terminate your Account is received may not represent the final encashment value of the investments held within your Account.
- 26.4 This Agreement will terminate immediately in the event that Fundment becomes insolvent as such term is defined in accordance with the Insolvency Act 1986.

## **27. FURTHER REGULATORY REQUIREMENTS**

- 27.1 We shall provide best execution in accordance with the FCA Rules. By entering into these terms and conditions you confirm that you have reviewed our Best Execution Policy which is available on our Website [www.fundment.com](http://www.fundment.com) and acknowledge that you consent to this Best Execution Policy. We may revise our Best Execution Policy from time to time and provide you with a copy of the revised policy.
- 27.2 We are required to have arrangements in place to identify and manage conflicts of interest. We have a Conflicts of Interest Policy in place which identifies those

situations giving rise to actual or potential conflicts of interest and which provides details of how such conflicts are managed. If the arrangements under our Conflicts of Interest Policy are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the client will be prevented, then we will disclose sufficient details of the actual or potential conflict to any clients affected in order to enable them to take an informed decision as to whether to continue to deal with us notwithstanding the existence of such conflict. We will provide you with a summary of our Conflicts of Interest Policy upon request.

## **28. COMPLAINTS PROCEDURE AND COMPENSATION**

- 28.1 Our complaints procedure is available on our Website. If you are an eligible complainant, you also have the right to make a complaint to the Financial Ombudsman Service ("**FOS**"). Further information relating to making a complaint to the FOS is available from us on request.
- 28.2 Fundment is covered by the Financial Services Compensation Scheme (the "**FSCS**"). The FSCS can pay compensation if Fundment cannot meet an obligation owed to an Eligible Claimant. Each individual is entitled to 100% of the first £85,000 in respect of investment business. Further information about the FSCS (including the amounts covered and eligibility to claim) is available at [www.fscs.org.uk](http://www.fscs.org.uk) or by calling 0800 678 1100.

## **29. LIABILITY**

- 29.1 Fundment shall be liable to you for any losses you incur only to the extent that such losses arise under the law of contract and are the direct result of any act or omission taken or omitted by Fundment during the term of, and under, this Agreement which constitutes negligence, wilful default or fraud. Fundment shall not otherwise be liable for any other losses suffered by you including Losses arising from:
- (1) negligence, wilful default, fraud or insolvency of any other person;
  - (2) Fundment carrying out or relying on any Instructions or on any information provided or made available to Fundment by you;
  - (3) any delays due to market conditions or changes in market conditions; or,
  - (4) any delayed receipt, non-receipt, loss or corruption of any information contained in email or for any breach of confidentiality resulting from email communication or any consequential loss arising from either of the foregoing.
- 29.2 Fundment shall not be responsible for any losses incurred after the date of termination of this Agreement unless and to the extent that the act or omission causing such losses can be evidenced to have occurred prior to the date of termination under this Agreement.
- 29.3 Nothing in this Agreement shall exclude or restrict any duty or liability which Fundment may have to the Client under FSMA or the FCA Rules or, where relevant, the Pensions Act 1995.

### **30. DORMANT ACCOUNTS**

- 30.1 Where your Account has been inactive for more one year, we will mark your Account as dormant and you will not be able to access your Account through the Website. In such an event, you can contact your adviser who can advise us to reactivate your Account for you.
- 30.2 Where an Account is marked as dormant, any money in the Account will remain the property of the holder of the Account and shall form part of the estate of the Account holder in the event of his or her death.

### **31. TAX**

You should seek your own independent tax advice in relation to these Terms and Conditions and entering into an Account with us. We make no warranty or representation in relation to the tax position of opening an Account with us or trading through the Website.

### **32. ASSIGNMENT**

- 32.1 You may not assign or otherwise transfer your rights or obligations under this Agreement to any other party.
- 32.2 We reserve the right to assign our rights and obligations under this Agreement and will provide you with prior notification of any such assignment.

### **33. THIRD PARTY RIGHTS**

The Contracts (Rights of Third Parties) Act 1999 shall not apply to these Terms and Conditions and no person other than a party to them shall have any rights under it or to enforce any provision of it.

### **34. GOVERNING LAW AND JURISDICTION**

- 34.1 These terms and conditions and any dispute or claim arising out of or in connection with them or their subject matter or formation (including non-contractual disputes or claims) are governed by the law of England and Wales.
- 34.2 We and you agree to the exclusive jurisdiction of the English courts with respect to any dispute (including non-contractual disputes or claims) which may arise in connection with these terms and conditions or their subject matter and formation.

### **35. GENERAL**

- 35.1 We may delegate any of our duties, authorities or functions in respect of providing the services under this Agreement to a connected entity or any entity within the same Group (as defined in the Companies Act 2006) without your prior consent. You

agree that we are able to provide information about you and your Accounts to any such delegate.

- 35.2 No terms will be implied (whether by custom, usage, course of dealing or otherwise) into these Terms and Conditions, except as required by statute.
- 35.3 Each of us acknowledge that in entering into these Terms and Conditions we have not relied on any express or implied representation (including any made negligently), assurance, undertaking, collateral agreement, warranty or covenant which is not set out in these Terms and Conditions.
- 35.4 We and you agree that neither of us shall have any remedy in respect of any statement, representation, assurance or warranty that is not set out in these Terms and Conditions. We and you agree that neither of us shall have any claim for innocent or negligent misrepresentation based on any statement in these Terms and Conditions.
- 35.5 We can only waive a right or remedy provided in these Terms and Conditions or by law by providing express written notice to you.
- 35.6 Any delay or failure to exercise any power, right or remedy by us under these Terms and Conditions this will not operate as a waiver of that power, right or remedy, nor will it impair or prejudice it.
- 35.7 Any single or partial exercise or waiver of any power, right or remedy will not preclude our further exercise or the exercise of any other power, right or remedy.
- 35.8 We may amend this Agreement by giving you 14 business days' notice by email. Alternatively, if we are required to amend this Agreement by law, regulation or in accordance with the FCA Rules, we may do so with immediate effect.
- 35.9 No clause under this Agreement will be deemed to restrict or exclude any duty owed to you by us under the Financial Services and Markets Act 2000 or the FCA Rules.
- 35.10 Should any part of this Agreement be held to be illegal or unenforceable, such provision shall, as far as it is illegal or unenforceable, be given no effect and shall be deemed to be not included in this Agreement. Any part of this Agreement deemed to be illegal or unenforceable will not invalidate any of the remaining provisions of this Agreement.
- 35.11 Nothing in these Terms and Conditions is intended to or shall be deemed to establish any partnership or joint venture between us and you. We and you agree that nothing in these Terms and Conditions shall authorise any of us to enter into any commitments for or on behalf of any other party.

## **36. USING YOUR PERSONAL INFORMATION**

- 36.1 To provide services to you, we are required to collect, store and use your personal data in accordance with all applicable laws relating to the protection of Personal Data, including the EU Data Protection Directive 95/46/EC, the EU General Data Protection Regulation 2016/679, the EU ePrivacy Directive 2002/58/EC as amended

by Directive 2009/136/EC, as amended or superseded from time to time, and any national implementing legislation (“Data Protection Laws”).

- 36.2 For the purpose of providing services to you, confirming your identity in order to meet anti-money laundering requirements, we may use the services of third-party providers to carry out identity checks on you.
- 36.3 We will take all reasonable steps to ensure that your data is treated securely and in accordance with our [Privacy Policy](#).

## APPENDIX 1 – GLOSSARY OF TERMS

In these terms and conditions, the words and phrases used have the meanings below:

Term	Description
Adviser	This is a Financial Adviser authorised by the Financial Conduct Authority who with Fundment are appointed by you to oversee your portfolio.
Appropriateness Assessment	When you request dealing in Complex instruments or funds, we assess your experience and knowledge on Complex products.
Annual Management Charge (AMC)	The annual fee that is deducted from a fund to cover the costs of managing it. It is typically expressed as a percentage of the value of the fund.
Business Day	Any working day for the stock market. The stock market is generally open each weekday except Bank Holidays.
Asset Allocation	The act of deciding which categories of assets and in what proportions the “investment” should be allocated to at any given time..
Asset Categories	Types of assets, such as equities, gilts, corporate bonds or cash.
Bonds	An alternative name for a fixed-income investment. Bonds are a form of debt investment, where the investor lends funds to the bond issuer. In return the lender expects to receive back the principal and interest (also known as coupons). Governments, states, local authorities and companies generally issue bonds.
Capital Gains Tax	Payable at the rate equivalent to the taxpayer's highest rate of income tax on gains arising from the sale of a chargeable asset. Unit trusts and investment trust companies are exempt from paying Capital Gains Tax on the disposal of shares in their underlying portfolios. Individuals may be subject to CGT when they sell assets e.g. units/shares. ISA/PEP wrapped investments are free of CGT, although they do have annual investment limits.
Capital Loss	The amount by which an asset has decreased in value since it was acquired. In some circumstances this can be used to offset Capital Gains and reduce Capital Gains Tax.
Contract Note	A written confirmation of a trade, issued by the broker to the customer for whom the trade was executed.
Corporate Action	An action taken by a company which affects the existing share structure. This includes rights issues, bonus issues, take-overs and mergers
Custodian	A third-party company that is responsible for keeping clients’ assets safe, settling trades, and dealing with corporate actions such as rights issues.

Customer agreement	A document that sets out the basis of the service to be provided between investment managers and their clients.
Designated bank account	This is an account at a bank in the name of the firm separate from other accounts of the firm which may be either a general account or an account designated by the name of a specific client, or by a number or letters allocated to that account and which, in all cases, includes the word "client" in its title.
Deposit Account	Offered by most banks, building societies and some insurance companies, a deposit account is a way of saving and investing. You pay money into the account. It usually pays interest net of 20% tax and often has a notice period to avoid loss of interest. If you're exempt from paying tax you can claim back the amount deducted. Alternatively, non-UK residents and non-taxpayers can apply to have their interest paid gross.
Discretionary Investment Managers	An investment management firm or individual appointed by you or your financial adviser to make decisions on the investments in your portfolio
Diversification	Lowering risk by investing in a wide spread of investments.
GIA	General Investment Account which may hold investments and cash.
Gilt	A UK government-issued fixed-interest security
Equities	Equities are ordinary shares which allow division of ownership according to the number of shares held. Equities may or may not be listed on a stock exchange.
Fee Instruction	Schedule outlining the payments including adviser, discretionary investment manager and platform fees that apply to your account.
Financial Conduct Authority	The Financial Conduct Authority was created by the Financial Services Act (2012) and is directly accountable to HM treasury.
FTSE	'Financial Times Stock Exchange' (index). The "footsie" measures the performance of certain sectors of European markets, providing up-to-the minute indicators of how share prices are performing. For example, the FTSE 100 is an index containing the top 100 UK shares listed on the London Stock Exchange.
Fund	This is money invested to support or finance a particular goal e.g. a pension fund providing a lump sum to purchase a pension in retirement. This may also be a pooled investment managed by a professional fund manager
Index Fund	A mutual fund that invests in the stocks which make up an index in the same proportions to their weights in the index.
Investment Process	The process that decides the investment strategy and decides on the asset allocation and selects funds and stocks to invest in.
Investment Risk	This is the risk that an investment or savings plan will decrease in value either in actual terms or compared to inflation

ISA	An Individual Savings Account or “ISA” allows you to save money on a regular basis, or invest a lump sum of money, without having to pay income or Capital Gains Tax on the sums invested.
Nominee Company	A nominee company is one which is used solely for holding investments separately from the parent company and which does not carry out any other business.
Ongoing Charges Fee (OCF)	This reflects the overall cost involved in running an investment and shows the drag on performance caused by operational expenses associated with a fund. It is essentially the percentage of your investment holdings that will be spent on costs every year.
OEIC	An Open-Ended Investment Company or “OEIC” is as a collective investment vehicle used to pool investment money from various sources. An OEIC issues shares rather than units. Each fund can have different share classes which might have different charges. The number in issue is increased or reduced by the fund managers according to changes in demand from investors in the fund.
Portfolio Construction	Building a portfolio of securities to achieve the client’s objectives.
Pension Annuity Rate	This determines the amount of regular income at retirement an annuity bought with your pension fund will provide. The annuity rate will depend on many factors, including your age, your health, general economic factors at that time such as interest rates, any annuity guaranteed period, any regular increase to apply each year (escalation) and how many times each year the income will be paid.
Personal Pension Plan	An approved pension plan (i.e. eligible for favourable tax concessions). If you're an employee who doesn't have an opportunity to join a company pension scheme, or if you're self-employed, you can take out a personal pension. You'll need to make contributions - to be invested by your personal pension provider. These will grow over the years to retirement, and benefit from associated tax relief. When you retire, you'll receive a pension
Plan Manager	Means Fundment Limited for ISA purposes
Qualifying Individual	An individual who is 18 years of age or more who has not subscribed to any other Stocks and Shares ISA during the Tax Year. The individual is resident in the UK, or if non-resident performs duties deemed to be performed in the UK by virtue of Section 28 of the Income Tax (Earnings & Pensions) Act 2003 (Crown employees serving overseas) or is married to, or in a civil partnership with, a person who performs such duties.
Rate of Return	The increase in value or level of an investment over a specified period of time, normally expressed as a percentage.
Reinvestment	Where the proceeds of an investment are used to fund a new investment. Also, when an income distribution due to a unit holder is used to buy optional units, rather than being paid out in a cash form



Tax Free Cash/Tax Free Lump Sum	The lump sum benefit that can be taken tax-free from a pension arrangement at the retirement date. The amount is limited by HM Revenue and Customs regulations
Tax Year	HMRC tax year runs from the 6th of April one year to the 5th of April the following year
Total Expense Ratio (TER)	Much like the OCF, it provides a more complete picture of the total annual costs involved in running an investment. Total costs may include various fees (purchase, redemption, auditing) and other expenses.
UCITS	Undertakings for Collective Investment in Transferable Securities, the EEC directive that harmonises the sale of unit trusts throughout the Community, so that all member states' funds can be sold in all other member states
Unit Trust	A trust fund operated by Unit Trust Managers which is a collective investment vehicle pooling investors' money and therefore spreading the risks involved. It is an open-ended investment and therefore units can be created and cancelled depending on demand
Valuation Point	The time at which an investment fund is valued every day. The value of the fund at the valuation point is used to calculate the price of units, which is then used to calculate the number of units bought and sold since the last valuation point. Most investment funds will have at least one valuation point daily, and some may have more than one
Volatility - (in relation to shares)	A measure of relative movement of share price during a given period
Weighted Average Charge	The average investment charge of a portfolio given the relative weighting (allocation) of the underlying investment holdings.
Yield	The dividend income last given by a share expressed as a percentage of the current share price

These Terms and Conditions are issued by Fundment Limited which is authorised and regulated by the Financial Conduct Authority.

Registered in England and Wales.