

Important changes to the HSBC Selected Investment Funds Terms and Conditions (the “Terms”)

Please read this notice carefully
and keep it in a safe place for future
reference.

These changes will be effective from 15
June 2017.



Variations are being made for the following reasons:

- To clarify the effect of the terms which permit us to transfer our agreement with you to another entity in our group; and
- To permit expressly the transfer of your client money linked to the business being transferred to our group entity, including protections where this entity will not hold your money as client money.

Expressions defined in the terms and used in this Notice of Variation shall have the meaning given to them in the terms.

The changes to the terms will take effect on **15 June 2017** (the "Effective Date").

We have also made changes to the terms and Key Features Document following changes in regulation and to accommodate a HM Revenue & Customs change, and to make the Key Features Document clearer. These changes came into effect on **6 April 2017**.

If you choose not to accept the changes, you have the right to close your Account(s) and, if applicable, the right to transfer your Individual Savings Account (ISA) to another ISA provider. If we do not hear from you before the Effective Date, we will assume you accept the changes and they will take effect. There will be no charge for closing your Account, however, if the value of your Account Investments has fallen, you may get back less than you paid in. In the case of an Account held within an ISA, if it is closed without transferring to another ISA, any associated tax benefits will be lost.

How to contact us

Please contact us on 03457 456 123 if you would like to discuss the changes set out below or if you would like us to send you a copy of the amended Terms. Lines are open from 8am to 6pm Monday to Friday excluding public holidays. To help us continually improve our services and in the interests of security, we may monitor and/or record your communication with us.

The Terms (Effective Date 15 June 2017)

Definitions

We are amending the definition of "Associate." This definition will read:

'**Associate**' means any company in the same group as us and any of our or their subsidiaries as such term is defined in the Companies Act 2006 as amended or replaced from time to time;

We are adding a new definition "CASS Rules." This definition will read:

'**CASS Rules**' means the rules of the FCA in relation to client money and assets;

We are adding a new definition "New Provider." This definition will read:

'**New Provider**' means an entity to which we transfer your agreement with us under clause 6.1 of these Terms;

Clause 4 - Management

We are amending Clause 4.2 to confirm how we will continue to manage ISAs which were opened with us on the basis that they complied with the CAT Standards, until such time that we decide that it is no longer possible to manage ISAs on this basis:

4.2 Where you have opened a SIF ISA on the basis that it complies with the CAT Standards, your SIF ISA will be managed in accordance with those standards. Where we decide that it is no longer possible to manage the SIF ISA according with those standards then, provided we have given you not less than 90 days prior written notice, your CAT Standard SIF ISA will be managed

on terms equivalent or better than those standards. We no longer offer a CAT Standard SIF ISA for new investment.

Clause 6 - Transfer of your agreement

We are amending Clause 6.1 which permits us to transfer our agreement with you to another entity in our group. This Clause will read:

6.1 We may not transfer your agreement with us under these Terms to a third party without your consent, except that you agree we may transfer it to an Associate (which is suitably authorised and capable of providing the services to you at a similar level of service) as part of an internal re-organisation of our business. In the event that we do undertake such a transfer, we will give you at least 30 days' advance personal written notice of the change. In these circumstances, the new contracting entity will assume our obligations to provide the services to you, and our rights to benefit (such as receiving charges), under these Terms in our place. If you do not agree to the transfer, you have the right to end this agreement in accordance with clause 27.5 and where relevant, transfer your Shares to another provider.

We are adding a new Clause 6.2 to clarify the effect of such a transfer. This Clause will read:

6.2 If we transfer our business to a New Provider in accordance with clause 6.1 of these Terms, we may also transfer your Client Money to the New Provider. In these circumstances, we will ensure that the New Provider will hold your Client Money in accordance with the CASS Rules or, to the extent the New Provider will not hold this money as Client Money, we will exercise all due skill, care and diligence in assessing whether the New Provider will apply adequate measures to protect your Client Money when transferred to that New Provider.

Clause 17 - Charges

We have made changes to clauses 17.14 and 27.5 and added a new clause 17.15 to clarify the way in which we will calculate and deduct fees payable on the termination or transfer of your Account. This will be on the same basis as the normal quarterly fees, except that it will be applied pro rata for the time since your last fees payment up to the date of termination or transfer. We may deduct these fees whilst we still hold your assets, prior to termination or transfer of your Account in which case we will only charge you fees pro rata up to the date of deduction. We may deduct these fees either as a single payment of the pro rata fees or as a cumulative payment of the pro rata fees and the fees for the previous quarter together.

17.14 Subject to clause 27.5, on termination or transfer of the Account any fees due to the date of termination or transfer will be payable by you. Where the date of termination or transfer is during, but not on the last day of, a charging period, then the fees will be applied pro rata for the number of days in that charging period up to the date of the termination or transfer, not including that date. We may deduct these fees from your Client Money or from the proceeds of sale of Shares on the basis set out in this clause 17 and we may do so a reasonable amount of time prior to the date of termination or transfer. In that case, the fees will only be applied pro rata for the number of days in that charging period up to the date of the deduction of the fees, not including that date, and we will not charge you for the period between the date of deduction and the date of termination or transfer.

17.15 We will normally deduct the pro rata fees calculated under clause 17.14 as a separate payment from previous quarterly payments. Alternatively, we may delay payment of the fees from the immediately preceding quarter and deduct, as set out in clause 17.14, as a single payment the cumulative amount of the fees for that preceding quarter and the pro rata amount for the charging period leading up to the date of termination or transfer. We will inform you in advance if we will be deducting the cumulative amount as a single payment.

Clause 19 - Voting and Fund Information

Following a change in legislation, fund providers are no longer required to prepare and send short form report and accounts. We are amending clause 19.2 to read:

19.2 If you ask for copies of the reports and accounts, short form versions will be issued as standard, where available. A specific request must be made to our Administrative Office for long form versions.

Clause 27 - Changing the Terms

We are amending clause 27.5 which will read as follows:

27.5 You may close your Account in accordance with clause 21 within 30 days of the date of any advance notice of a change we send you or, if longer, up to the date stated within any advance notice we send you. If you do not tell us that you want to close your Account by this time, then you will be deemed to have accepted such a change and the change will take effect automatically. There will be no charge for closing your Account and you will not be charged any Account Fee for the charging period in which we receive your notice of termination in accordance with this clause 27.5. If we deduct a pro rata Account Fee under clause 17.14 and you subsequently close your Account in accordance with this clause 27.5, we shall reimburse you for any such pro rata fee to give effect to the provisions of this clause 27.5.

The Key Features Document (Effective Date 6 April 2017)

What is an ISA?

We have amended the explanation of "What is an ISA?" to read:

An ISA is a tax efficient way of saving or investing as all income and capital gains arising within an ISA are exempt from any personal liability to UK Income Tax and Capital Gains Tax.

There are four different types of ISA:

- cash ISAs;
- stocks and shares ISAs;
- Innovative Finance ISAs; and
- Lifetime ISAs.

A payment by you into an ISA in any tax year is called a subscription. You can only subscribe to one of each type of ISA per tax year.

Because of their tax advantages ISAs are subject to annual subscription limits. The overall ISA subscription limit is £20,000 for the 2017/18 tax year.

You can subscribe to any combination of permitted ISAs in the same tax year, subject to the subscription limits and eligibility requirements for each type of ISA, but you cannot exceed the overall maximum ISA allowance of £20,000 for the 2017/18 tax year.

Please note that each year all ISA providers are required to report details of ISA subscriptions made by their customers to HM Revenue & Customs (HMRC) so that HMRC can check that individuals do not exceed the limits. If we are aware of any invalid subscriptions to your ISA, we will remove them and place them into a SIF Plan.

If the invalid subscriptions were invested into an ISA which you opened directly through hsbc.co.uk after 11 December 2014, the SIF Plan we open will be subject to the same restrictions as

the SIF ISA. For details of these restrictions refer to "How can I invest in the SIF Plan and SIF ISA?"

Direct Debits for 2017/18 ISA subscriptions

The 2017/18 ISA allowance is £20,000. This amount cannot be divided equally into 12 monthly Direct Debit payments (in whole pounds). It may be helpful to note that if you are intending to fully subscribe to your ISA, your Direct Debit amount will be automatically adjusted on the your final payment to prevent oversubscriptions.

For example, if you request a direct debit of £1,667 per month, then providing you have not made any further subscriptions to this ISA, the 12th ISA payment will be automatically adjusted to £1,663.

(11 payments of £1,667 and 1 payment of £1,663 equals £20,000.)

Please note: it is still your responsibility to monitor your overall ISA subscriptions. The automated Direct Debit adjustment within SIF will not take into account subscriptions to other ISAs.

What is a Feeder Option?

Following the changes to the ISA Regulations, we have amended the minimum investment, if you want to select the Feeder Option, to £21,000.

Can I change my mind about my investment?

We have amended the first bullet point under 'Cancelling an investment where shares were re-registered' to read:

If you cancel an investment where shares were re-registered into your Account we will retain those shares in your Account and wait for further instructions from you. If we do not receive any instructions from you within 30 days of receiving your cancellation instruction then we may re-register those shares into your own name. If we cannot re-register those shares into your own name we will sell the shares and return the cash proceeds to you. This will result in you losing the benefits of holding those shares within an ISA.

Do I have to pay tax on my investment?

UK Income Tax – SIF Plan

We have amended the first bullet point in this section in response to the introduction of gross interest distributions from 6 April 2017. This section reads as follows:

- ▶ Interest distributions shall be paid gross and will contribute towards your annual Personal Savings Allowance. Any interest distributions in a tax year in excess of your annual Personal Savings Allowance will be subject to tax according to your personal circumstances and it shall be your responsibility to account to HMRC for any tax liabilities arising on interest distributions you receive.

UK Income Tax – SIF ISA

We have amended the second bullet point to read:

- ▶ Interest distributions will be paid gross of UK Income Tax.

We have removed the third bullet point in this section.

Fund Insert and Effect of Charges Insert

Effect of Charges and Expenses

New projected growth rates must be introduced for Effect of Charges illustrations from 6 April 2017, to comply with a change to the Financial Conduct Authority's Conduct of Business Sourcebook. We have reviewed the growth rates used in respect of producing Effect of Charges information and have updated the tables in the Fund Insert and Effect of Charges Insert to reflect the new growth rates.

You can find the most recent versions of the Selected Investment Funds Terms and Conditions, Key Features Document, and Fund Insert and Effect of Charges Insert by visiting investments.hsbc.co.uk/products and clicking on 'Existing Selected Investment Funds customers'.

Issued by HSBC Trust Company (UK) Limited

PO Box 6189, Coventry,
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Selected Investment Funds

Terms and Conditions

Effective Date 9 December 2016

How to contact us

Telephone – Call our Customer Service Centre on: 03457 456 123

By textphone for general enquiries: 03457 660 391

Lines are open 8am – 6pm Monday to Friday (excluding public holidays). To help us continually improve our services and in the interests of security, we may monitor and/or record your communications with us.

Post – Write to us at:

HSBC Trust Company (UK) Limited, PO Box 6189, Coventry CV3 9HS. If you write to us, we may need to contact you about your investment. Please provide a contact number to avoid delays in processing. Please note that, except where expressly permitted in the Terms, fund instructions may not be given by post. We will inform you of any changes to our contact details.

Introduction

The Selected Investment Funds is an investment service provided by HSBC Trust Company (UK) Limited through which you can open and invest in a range of funds through the Selected Investment Funds Plan and Selected Investment Funds ISA. The Selected Investment Funds Service may be available through your HSBC Bank plc Adviser. As the provider of your Account HSBC Trust Company (UK) Limited will not itself advise you in relation to your investment in the Funds and is not therefore required to assess the suitability of the service provided. Unless you separately receive advice from an HSBC Bank plc adviser, you will not therefore benefit from the protection of the Rules on suitability.

Your agreement with us in respect of each Account you hold (the 'Terms') consists of these Selected Investment Funds Terms and Conditions, your Application Form and the Key Features Document (including the Fund Insert and Effect of Charges Insert).

The Key Features Document includes important information relevant to the Terms including:

- the charges which are payable; and
- certain specific terms and conditions and limitations which apply to your investments in the Funds.

We will also provide you with the Key Investor Information Document or, if applicable, the Simplified Prospectus, produced by the Manager for the Funds you invest in.

You will be categorised as a retail client in relation to any Account you hold in the Selected Investment Funds.

No third party will have any rights under the Terms.

Please read the Terms before you apply and invest and keep them in a safe place. You can ask for a copy of the Terms at any time by calling or writing to us.

1. Definitions

In these Terms:

'Account' means a SIF Plan or a SIF ISA opened in accordance with these Terms or any previous terms and conditions, your Application Form, the Regulations and the Rules;

'Account Investments' means the Shares and cash held in the Account;

'Account Fee' means the fee we charge for the services we provide to you in connection with your Account and your Account Investments in accordance with these Terms as set out in the Key Features Document;

'Account Manager', 'we', 'us', 'our' or 'ourselves' means, unless otherwise advised in these Terms, HSBC Trust Company (UK) Limited which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority;

'Additional Permitted Subscription' means an additional subscription which you can apply to make into your Account following the death of your spouse or civil partner. The Additional Permitted Subscription will not count towards your current tax year ISA subscription limit.

'Administrative Office' means PO Box 6189, Coventry, CV3 9HS or such other address notified to you from time to time;

'Application Form' means the completed application form(s) used to open the Account or such other document or method of application as is acceptable to us;

'Associate' means any company in the same group as us or a subsidiary of any such holding company as such terms are defined in Sections 1159 and 1260 of the Companies Act 2006 as amended or replaced from time to time;

'Automatic ISA Subscription' means selling Shares in your SIF Plan and using the proceeds to buy Shares to be held within your SIF ISA on the date(s) specified by us each Tax Year;

'Best Possible Result' means the best possible result for the purchase and sale of Shares in accordance with the Rules;

'Business Day' means Monday to Friday except UK public holidays;

'CAT Standards' means the voluntary standards for Charges, Access and Terms published by HM Treasury;

'Clean Share Class' means those classes of Shares for which the annual management charge does not include any commission or rebate to be paid to us or any Associate in respect of advising on or distributing those Shares;

'Client Money' means, in relation to the Account, money held on your behalf by us in our name and deposited with any third party nominated by us. Such money is identified as Client Money and is segregated from our money in accordance with the Rules;

'Corporate Action' means any mandatory or voluntary corporate action event including, without limitation, any events concerning takeovers, mergers, other offers or reorganisations and the exercise of conversion and subscription rights relating to Account Investments;

'Effect of Charges Insert' means the Effect of Charges Insert you were given when you applied for this Account which forms part of the Key Features Document together with any changes we subsequently tell you about;

'Effective Date' means the Business Day upon which we accept both your Application Form and initial Payment or, if you are re-registering Shares, your Application Form, Initial Payment and/or Shares;

'Execution Policy' means our internal policy setting out how we will deliver the Best Possible Result when we receive and transmit orders for the purchase and sale of Shares to our Associate for execution;

'Feeder Option' means the option for you to make an Automatic ISA Subscription;

'Financial Conduct Authority' or 'FCA' means the authority responsible for the conduct supervision of all regulated financial firms and the prudential supervision of those not supervised by the Prudential Regulation Authority;

'Fund' or 'Funds' means the investment fund(s) from the range we offer from time to time;

'Fund Insert' means the Fund Insert you were given when you applied for this Account which forms part of the Key Features Document together with any changes we subsequently tell you about;

'Income' means any income including dividends and tax reclaims but excluding Interest held in your Account;

'Interest' means any money earned on cash which is held on your behalf as Client Money within your Account;

'ISA' means an Individual Savings Account in accordance with the Regulations;

'Key Features Document' means the key features document (including the Fund Insert and Effect of Charges Insert you were given when you applied for this Account) and any changes we subsequently tell you about;

'Key Investor Information Document' or 'KIID' means the Key Investor Information Document produced by the relevant Manager (where available) and made available to you by us before you purchase Shares in an Account;

'Legacy Share Classes' means classes of shares in funds for which the annual management charge includes payments of commission by the product provider to the relevant distributor;

'Manager' means the manager or the Authorised Corporate Director (ACD) of a Fund;

'Nominee' means the Company appointed to hold Shares on your behalf, being a non-trading company within the HSBC group;

'Payment' or 'Payments' means any cash amount received from you, or from another ISA manager on your behalf, for investment in your Account;

'Prudential Regulation Authority' means the authority responsible for the prudential supervision and regulation of banks, building societies, credit unions, insurers and investment firms;

'Regulations' means the Individual Savings Account Regulations 1998 as amended or replaced from time to time, and any other applicable statutes and regulations;

'Rules' means the rules of the FCA that apply to your Account;

'Share' or 'Shares' means units or shares in a Fund;

'SIF ISA' means an Account which is a Selected Investment Funds stocks and shares ISA opened with us in accordance with these Terms;

'SIF Plan' means an Account opened with us in accordance with these Terms which is not a SIF ISA;

'Subscription' or 'Subscriptions' means any contribution made by you to your Account during a Tax Year that counts towards the annual subscription limits under the Regulations, and where applicable, an Additional Permitted Subscription;

'Tax Year' means a year beginning on 6 April and ending on the following 5 April;

'Terms' means these terms and conditions together with the Application Form and Key Features Document;

'You' or 'Your' means the person(s) whose name(s), address(es) and other particulars appear in the relevant Application Form.

2. Appointment

2.1 You appoint us as the Account Manager to manage your Account in accordance with these Terms, the Regulations and the Rules.

2.2 You authorise us to claim and receive distributions from Funds, interest payments and other entitlements accruing in respect of your Account and to take any applicable Account Fee.

3. Cancellation

3.1 Following your first Payment into your Account, we will send you a reminder of your right to cancel your Account. If you wish to cancel your Account under this clause 3, you may notify us by writing to our Administrative Office within 30 days of the date we purchased your Shares. If an Account Fee has been collected we will return all of that fee to you. You also have the right to terminate your Account at any time in accordance with clause 21 subject to paying any outstanding fees and charges.

3.2 Where we have received a Payment directly from you and you wish to cancel your Account under this clause 3, we will sell all the Shares relating to that Payment in your Account and return the Payment to you.

3.3 Where we have received a Payment into your SIF ISA by way of a transfer of an existing ISA from another ISA manager, if you exercise your right to cancel:

- (i) we will sell the Shares in your SIF ISA and hold your Payment as Client Money, until we receive your further instructions;
- (ii) if your further instructions are not received within a further 30 Business Days, we may return your Payment to you.

If we return your Payment to you, this will result in a loss of the tax benefits relating to holding your Payment within an ISA.

3.4 If you cancel an Account and a Payment is returned to you:

- (i) if the value of the Shares purchased with your Payment has fallen the cash amount returned to you will be reduced. If the value of the Shares purchased with your Payment has increased the amount returned to you will be your initial Payment only.
- (ii) all Payments will be returned without interest.

3.5 Where we have received Shares into your Account, if you exercise your right to cancel:

- (i) we will retain the Shares in your Account pending further instructions from you;

(ii) if your further instructions are not received within a further 30 Business Days, we may return all your Shares to you. Where the relevant Manager(s) agree, this means that we will re-register those Shares into your name and return them to you.

The value of the returned Shares will be subject to fluctuations and therefore may be more or less than their value at the time they were transferred into your Account.

Where Shares have been transferred into your SIF ISA, if we return your Shares to you in this way this will result in a loss of the tax benefits relating to holding your investments within an ISA.

If we cannot re-register Shares into your name we may sell those Shares and return the cash proceeds to you. The proceeds from the sale of those Shares may be less than the value of those Shares at the time they were transferred to us due to market movement.

3.6 If you cancel an Account and Shares are returned to you any Income earned by those Shares will be paid out to you.

3.7 If you choose not to exercise your right to cancel under this clause 3 you will be subject to these Terms including all the risks and charges. Please note that we will not allow you partially to cancel your Account.

4. Management

4.1 Each Fund is subject to a minimum investment limit and minimum remaining investment limit. The minimum limits are set out in the Key Features Document and are available on request. We may change the minimum investment limits in accordance with clause 27.

4.2 Where you have opened a SIF ISA on the basis that it complies with the CAT Standards, your SIF ISA will be managed in accordance with those standards. If we decide that it is no longer possible for your SIF ISA to be managed in accordance with the CAT Standards we will give you at least 90 days' notice.

4.3 Income or other monies pending investment or payment to you will be held as Client Money in accordance with clause 13.

4.4 Any Interest earned on the money held as Client Money will be credited to your Account quarterly in March, June, September and December. Interest is variable and is paid at 2.5% below the Bank of England base rate. Where the Bank of England base rate is 2.5% or lower, no interest will be earned on uninvested cash held as Client Money. We will also not pay interest on any money held as Client Money which is returned to you under clause 3.4.

(i) In the case of the SIF Plan, Interest will be paid gross.

(ii) Where you have chosen to have Income invested, any Interest earned may be used to pay the Account Fee in accordance with clause 17 and/or purchase further Shares. Where the Interest is invested, it will be used to purchase Shares proportional to the value of each Fund in your Account held at the time the investment is undertaken. Interest will be invested back into the Account in which it was earned.

(iii) Where you have chosen to have Income paid out, any Interest earned will be paid out to you within four Business Days of it being received into your Account providing the amount of Income and Interest due is greater than £1.50. Interest less than £1.50 will be retained in the relevant Account until further Income or Interest is added and the amount exceeds £1.50.

(iv)(a) Once any type of payment is issued by us to you from your Account, we will not pay any further Interest to you on the amount of the payment.

(b) If you are closing your Account or transferring your Account to another ISA manager we will not pay you Interest on any further Income (for example residual distributions) that may be received into your Account.

4.5 We have the right to deduct an amount from your Account necessary to reduce or repay any amounts which are due from you on the Account. This could involve selling any Shares that we may choose, or deducting money from any future Income or Interest. These may include any Account Fee and/or outstanding tax liabilities or charges.

4.6 We or any Associate may aggregate any transaction for you with those of other investors although this may result in a less favourable transaction price on a particular order than might have

been achieved had the transaction been effected separately. This may result in a dilution levy or dilution adjustment being applied by the Manager on the purchase or sale of Shares in order to protect the interests of the remaining investors in the relevant Fund.

We will only aggregate orders in line with our or our Associate's order allocation policy and where it is unlikely that the aggregation will work to your overall disadvantage.

4.7 If we receive more than one instruction from you at the same time your instructions will be carried out separately. This means that such instructions will potentially be subject to different Share prices. Any Payments will normally be processed first and if necessary we will seek clarification of your instructions.

4.8 Where a SIF Plan is held in joint names, we will only accept instructions to cancel, make a withdrawal, convert between classes of Shares, switch Funds or terminate the Account if the instruction is given by all holders.

4.9 We will notify you if, by reason of any failure to satisfy the Regulations, your ISA (or any part of it) has or will become void. As soon as practicable thereafter we shall write to you with details of the corrective action taken. Any action taken will be subject to such deductions (if any) as we may require to meet tax or other liabilities.

4.10 If your ISA has become void because invalid subscriptions have been made to it, we will remove the invalid subscriptions and place them either into a new SIF Plan that we will open in your name for you or into an existing SIF Plan in your name if you already hold one. If we open a new SIF Plan for you, you will automatically be subject to the terms and conditions of that new SIF Plan.

4.11 If you apply to open a SIF Plan under trust we will use the trust deed for verification of the nature and purpose of the trust and the names of the trustees only. We will not be obliged to adhere to the contents of the trust deed.

Additional Permitted Subscription

4.12 If your spouse or civil partner dies you may be able to make an Additional Permitted Subscription into your Account. You must complete the relevant form each time that you wish to make an Additional Permitted Subscription.

4.13 The Additional Permitted Subscription must not exceed the combined value of your spouse or civil partner's ISAs which they held at the date of their death (including any income accrued, but not paid or credited to the ISA at the date of death), and must be made in accordance with the requirements set out in the Regulations.

4.14 You may make several Additional Permitted Subscriptions; however, they must not, in aggregate, exceed the combined value of your spouse or civil partner's ISAs as at the date of their death and must be made within the timescales set out in the Regulations.

4.15 We will not accept an Additional Permitted Subscription where we know that the information you provide in the relevant form is false or where the requirements set out in the Regulations are not satisfied.

Corporate Actions - Entitlement to shares and other benefits

4.16 For any Corporate Action, entitlements to shares and any other benefits, including cash proceeds, will be distributed amongst all investors who hold investments as described in Clause 13.2. The distribution will be in the same proportion as the respective holdings of clients who have given identical instructions in connection with the relevant Corporate Action. In the case of mandatory Corporate Action, investor instructions will be deemed to have been given. In the case of voluntary Corporate Actions, the entitlement will be paid on the default option for any events not instructed on.

4.17 We will apply any share entitlements to the fullest extent possible however where any Corporate Action results in you being entitled to the cash value of a fraction of a share, we will credit your Account with that cash amount in full.

5. Delegation

5.1 We may delegate any of our functions under these Terms to any person however, before doing so and from time to time thereafter, we will satisfy ourselves that such person is competent to carry out those functions. We will remain

fully responsible to you for our service under these Terms notwithstanding any such delegation.

6. Transfer of your agreement

6.1 We may not transfer your agreement with us under these Terms to a third party without your consent, except that you agree we may transfer it to an Associate (which is suitably authorised and capable of providing the services to you at a similar level of service) as part of an internal re-organisation of our business. In the event that we do undertake such a transfer, we will give you at least 30 days' advance personal written notice of the change. The new contracting entity, will assume our obligations to provide the services under these Terms to you in our place. If you do not agree to the transfer, you have the right to end this agreement in accordance with clause 27.5 and where relevant transfer your Shares to another provider.

7. Material Interests

7.1 A summary of the HSBC policy on conflicts of interests is set out in Annex 2 at the end of these Terms.

7.2 We owe you a duty to act in your best interests in carrying out any transaction for your Account.

7.3 In some circumstances we may, without prior reference to you, (and without having to account to you for any benefit received as a result) carry out any transaction for your Account even though:

- (i) a conflict may arise between our interests or that of any of our customers and our duty to you; or
- (ii) we act on our own behalf or as agent of an Associate; or
- (iii) we act as agent for you and for another party to the transaction (including an Associate); or
- (iv) it relates to Shares, the issue, offer or sale of which has been underwritten, managed or arranged by an Associate within the previous twelve months; or
- (v) we act for more than one investor (including you) collectively.

8. Communications

8.1 You agree that we may use any contact details you have provided to us to communicate with you, including your postal address, telephone number(s) (including your mobile telephone number) and email address.

Please tell us as soon as you can if you change any details in respect of your Account. We will not be responsible for communications or notices sent to your old details prior to our receipt of your new details or the consequences of your non receipt of such communications unless this is due to our mistake or negligence.

8.2 All communications relating to your Account must be sent to us in writing at our Administrative Office, unless otherwise permitted within these Terms (including where set out in the Key Features Document).

8.3 We will not accept any instructions relating to transactions in Fund Shares received from you by way of secure e messaging or email or any other form of electronic message.

8.4 You will be deemed to have received any written communications from us on the fifth Business Day after posting.

9. Buying and Selling Shares

9.1 You may provide us with instructions to buy and/or sell Shares. We will normally place your instruction with the Manager for the purchase or sale of Shares within 24 hours of receipt of your instructions (together with, for the purchase of Shares, the applicable Payment) whether your instructions are in writing or by telephone. All instructions to buy and/or sell Shares, whether in writing or by telephone which are received after 12pm will be treated as though they were received at 9am on the following Business Day. The Shares will be purchased or sold at the price calculated at the next available valuation point from the Business Day on which we place your instructions. We may occasionally suspend dealing in any Fund for a temporary period where we are required to do so to respond to a change in relevant law, regulation or to reflect a change in industry guidance or code of practice or good banking practice or to respond to the suspension of the Fund by the Manager. You will not be able to place any instruction to buy and/or sell Shares in the affected Fund(s) during the relevant suspension period. We will give you

advance notice in writing of any such suspension provided that it is reasonably practicable for us to do so.

9.2 We will act as an intermediary in making arrangements for the purchase or sale of Shares for your Account.

9.3 We will write to you to confirm how many Shares have been bought and/or sold for you, the Share price and the price of the Shares at the time the transaction was executed.

9.4 We will not usually write to you where Shares are purchased in the following circumstances (unless they take place at the same time as a lump sum purchase):

- Reinvesting Income
- Reinvest the Interest paid on money held as Client Money
- Where Shares are purchased with regular Payments, (except where Shares are purchased with a combined lump sum and regular Payment).

9.5 We will not usually write to you where Shares are sold to pay an Account Fee. Details of these transactions will appear on your half-yearly statement.

9.6 You will not receive any share certificates in respect of your investment.

9.7 If you instruct us to buy Shares and a KIID is available for the Fund you wish to invest in, if we cannot confirm that you have received the most recent version of the KIID for that Fund, we will send you the most recent version of the KIID after your instruction has been processed.

9.8 Purchases and sales of Shares will be received and transmitted by us to an Associate for execution in accordance with our Best Execution Disclosure Statement, which is set out in Annex 1 at the end of these Terms.

9.9 You agree and confirm that for such time as we are appointed as the Account Manager you will be deemed to have consented to our Execution Policy.

9.10 You cannot elect to hold the proceeds from the sale of Shares as cash in the Account.

9.11 Where you sell Shares, we will normally pay the proceeds out to you within seven Business Days of the date we place your instruction with the Manager (subject to receipt of the proceeds from the Manager).

10. Regular Payments

10.1 Where available, you can invest regularly by making monthly Payments into your Account by direct debit.

10.2 Shares will normally be purchased within four Business Days of us receiving each regular Payment. We will send you a letter confirming receipt of your application to make regular Payments.

10.3 Subject to the minimum investment limits stated in the Key Features Document you may increase, decrease or stop your regular Payments at any time. Your written notice must reach our Administrative Office at least seven Business Days before the payment date from which the change or stop is to be effective, otherwise it will be effective from the following payment date.

10.4 If you instruct us to increase your direct debit and we cannot confirm that you have received the most recent version of the KIID (where available) for the Fund you want to invest in we will send you the most recent version of that KIID after your instruction has been processed.

10.5 If you stop your regular Payments and the value of any Fund within your Account is less than the minimum investment limit required for that Fund:

- (i) we will retain the Shares in your Account pending further instructions from you; or
- (ii) if your further instructions are not received within a further 30 Business Days, we may return all your Shares to you. Where the relevant Manager(s) agree, this means that we will re-register those Shares into your name and return them to you. Where the Shares are held in a SIF ISA, you will lose your ISA benefits in respect of those re-registered Shares.

The value of the returned Shares will be subject to fluctuations and therefore may be more or less than their value at the time they were bought and invested into your Account.

If we cannot re-register Shares into your name we may sell those Shares and return the cash proceeds to you. The proceeds from

the sale of those Shares may be less than the value of those Shares at the time they were bought.

10.6 If we are unable to collect any regular Payment because it is refused, we reserve the right to stop collecting future regular Payments. We will send you a letter to let you know if we do this.

11. Feeder Option

11.1 For certain Funds we will allow you to have a Feeder Option. The Funds available for a Feeder Option are shown in the Key Features Document and may vary from time to time. On giving you 30 days written notice we may change the Funds available for a Feeder Option.

11.2 You may only select one Fund and class of Shares in that Fund from your SIF Plan for your Feeder Option.

11.3 Each year we will write to you to tell you the date(s) on which we will make an Automatic ISA Subscription from your selected Fund and class of Shares you are holding within your SIF Plan into the same Fund and class of Shares you are holding within your SIF ISA.

11.4 The amount of the Automatic ISA Subscription will be the value of your selected Fund and class of Shares held in your SIF Plan, provided this is at least £1, subject to the maximum Subscription amounts specified for a stocks and shares ISA under the Regulations.

11.5 If the maximum Subscription amount increases during a Tax Year, we may make more than one Automatic ISA Subscription for that Tax Year.

11.6 You may tell us in writing not to make an Automatic ISA Subscription for a Tax Year. We must receive your instructions at least five Business Days before the date of the Automatic ISA Subscription specified in our letter. If you tell us not to make an Automatic ISA Subscription, you may need to complete a new Application Form before a further Automatic ISA Subscription can be made. We will supply you with an Application Form to complete before the Automatic ISA Subscription for the next Tax Year. However, if the Automatic ISA Subscription is not made for two consecutive Tax Years we will not send you a further Application Form.

11.7 If the value of the Fund you have chosen for a Feeder Option is nil for one complete Tax Year, a further Automatic ISA Subscription cannot be made until you complete a new Application Form. You should contact us to obtain an Application Form in this case.

12. Additional ISA Investment

12.1 If you do not make a Subscription to your SIF ISA during one complete Tax Year, you will need to complete a new Application Form before you can make any Subscriptions to your SIF ISA in subsequent Tax Years.

13. Custody and Cash in your Account

13.1 You will be, and will remain, the beneficial owner of the Shares in your Account. However, the title to any Shares in your Account will be registered in the name of our Nominee. We remain responsible for the custody of the Shares in your Account to the full extent required by the Rules.

13.2 Your Shares will be registered with investments made by other investors in the name of our Nominee and will be segregated from our property in order to protect your interests in the event that HSBC Trust Company (UK) Limited or our Nominee were to fail. Your Shares will be held on an omnibus basis which means that they will be pooled with those of other investors and may not therefore be individually and separately identifiable. However we will keep a separate record of your individual entitlement.

13.3 If we or our Nominee default then any irreconcilable shortfall in the Shares registered in the same Nominee name may be shared pro rata among all investors whose investments are so registered.

13.4 We may sell Shares in your Account for the purpose of paying the Account Fee in accordance with clause 17. However our power to deal with your Shares is subject at all times to our fiduciary duties and the Rules. You may not use your Account Investments as security for a loan.

13.5 All Payments into your Account pending investment, together with any Income, Interest, or other monies pending investment or payment out to you will be held as Client Money on trust for you in accordance with the Rules. Client Money will be deposited with a number of financial institutions which may include HSBC Bank plc and/or other third party financial institutions as we may nominate from time to time. We remain responsible to you for your Client Money to the full extent required by the Rules. Interest is payable on Client Money in accordance with clause 4 above.

13.6 We have policies and procedures in place to undertake checks and reconciliations of the records and accounts of your Shares, resolve any discrepancies which are identified and to deal with any shortfalls in your Shares. Where we are responsible for any such shortfall we may hold Client Money immediately at our cost to correct our position.

13.7 In the event HSBC Trust Company (UK) Limited (or a third party bank with which your Client Money is deposited) were to fail, FCA's client money distribution rules contained in the Rules apply to your Client Money. The purpose of the client money distribution rules is to protect your interests and seek to facilitate the timely return of your Client Money following any such failure.

13.8 The protection accorded to your Account Investments under the Rules is in addition to any rights you may have, subject to eligibility, to claim compensation under the Financial Services Compensation Scheme, as set out in the section below entitled 'General Information - Compensation'.

14. Conversion

14.1 Where the relevant Manager has agreed with us to do so, you may convert all or part of your holdings in a class of Shares within your Account for the equivalent value of Shares of another class of the same Fund.

14.2 You can request a conversion in writing or by telephone (telephone instructions received after 2pm will be treated as though they were received on the following Business Day).

14.3 Upon receipt of your instructions we will normally place your request to convert with the Manager on the next Business Day. Where we are not able to do this, we will place your instructions within three Business Days of receipt of your instructions. The Manager will normally complete the conversion on the Business Day we place the instruction. However, some Managers have restrictions to the dates when conversions can be processed and the type of conversions they can facilitate. You should refer to the Fund Insert for specific conversion information about each Manager and Fund.

14.4 Your Shares will not be out of the market during the conversion process.

14.5 We will write to you to confirm your holdings in the class of Shares you have converted to once the conversion is complete.

14.6 If you instruct us to convert classes of Shares and we cannot confirm that you have received the most recent version of the KIID (where available) for the class of Share you want to convert into, we will provide you with a KIID for that class of Share after your instruction has been processed.

14.7 Please note that conversions may not be available for all Funds. If you request a conversion and a conversion is not available for the relevant Fund, unless your request also includes a request to switch where conversion is not available, we will not process your request. You will need to place a separate switch instruction with us if you still wish to change the class of Shares you hold in the Fund. However, if your instruction does not specify whether you require a conversion or a switch, we will first look to process a conversion but if this is not available we will treat your instruction as a switch instruction in accordance with clause 15.

15. Switching

15.1 You may switch between Funds and/or classes of Shares either within the same SIF Account or from one SIF Account to another SIF Account (excluding switches from a SIF ISA to a SIF ISA), by telling us in writing or by telephone. Telephone instructions received after 2pm will be treated as though they were received on the following Business Day. Upon receipt of your instructions:

(i) in the case of a switch within the same Account we will normally place the order to sell Shares in the Fund and class of Shares with the Manager on the next Business Day. Shares will be sold using the share price at the next available valuation point on or following the Business Day we place your order with the Manager. Once we have received confirmation from the Manager that your Shares have been sold we will normally place the order to purchase Shares on the following Business Day. Confirmation from the Manager received after 5pm will be deemed to have been received on the following Business Day. If the settlement period for the Fund you have instructed us to switch into is shorter than the Fund you are switching out of, we will delay placing your order to purchase Shares. This will normally result in the settlement of both transactions taking place on the same day. Shares will be purchased using the share price at the next available valuation point on or following the Business Day we place your order to buy the Shares with the Manager.

Where the settlement periods for the fund you are switching out of and the fund you are switching into are the same, the switch process will normally take up to four Business Days. Your investment will normally be out of the market for two Business Days and during this time the market may move up or down, resulting in potential loss of growth and/or Income.

Where the settlement period for the fund you are switching into is shorter than the settlement period for the fund you are switching out of, the switch process may take longer and could take up to six Business Days. Your investment could be out of the market for up to four Business Days and during this time the market may move up or down, resulting in potential loss of growth and/or Income.

(ii) in the case of a switch between Accounts we will normally place the order to sell Shares in the Fund and class of Shares with the Manager within two Business Days. Shares will be sold using the share price at the next available valuation point on or following the Business Day we place your order to sell the Shares with the Manager. Once we have received confirmation from the Manager that your Shares have been sold we will normally place the order to purchase Shares within five Business Days. Confirmation from the Manager received after 5pm will be deemed to have been received on the following Business Day. Shares will be purchased using the share price at the next available valuation point on or following the Business Day we place your order to buy the Shares with the Manager. Your investment will be normally out of the market for up to five Business Days and during this time the market may move up or down, resulting in potential loss of growth and/or Income.

15.2 We will write to confirm your holdings in the Fund you have switched to once the switch has been completed.

15.3 If you instruct us to switch Funds and/or Share classes and we cannot confirm that you have received the most recent version of the KIID (where available) for the Fund and class of Shares you want to switch in to we will provide you with a KIID for that Fund and class of Shares after your instruction has been processed.

15.4 If you request us to switch between classes of Shares of the same Fund and a conversion is available for that Fund we will convert your holdings between those classes of Shares instead of switching them. If your instruction does not specify that you require a conversion or a switch, we will first look to process a conversion but if this is not available we will treat your instruction as a switch instruction in accordance with this clause 15.

16. Adding or Removing Funds

16.1 We may add or remove Funds from the range we offer. Our range is shown in the Fund Insert. We will notify you of Funds added or removed.

16.2 If we are notified by a Manager that a Fund is to be wound up we will give you as much written notice as practicably possible in accordance with the Rules, with details of the options available to you.

16.3 If we are notified by a Manager that a Fund is to be closed to new business, while you can continue to hold your Shares in that Fund, you will not be able to make any further Payment into that Fund.

17. Charges

17.1 The charges associated with your Account are explained in the Key Features Document, Fund Insert and/or these Terms.

We may make changes to the charges we apply to your Account (including introducing new charges or fees or making changes to the amount, rate or basis on which we charge) in accordance with clause 27.

17.2 Charges may also be applied by Managers in respect of the Fund. These may include ongoing charges and/ or redemption charges. Full details of the charges associated with a particular Fund and any payments we may receive from a Manager in respect of a Fund can be found in the Fund Insert. The Managers may change their charges at any time in accordance with the fund prospectus. As soon as reasonably practicable after we receive this notification, we will inform holders of Shares in the affected Funds of the relevant change.

Account Fee

17.3 Where you hold Shares within your Account, an Account Fee will be payable by you.

17.4 The Account Fee is calculated as a percentage of the average value of Shares held within your Account on each calendar day during the charging period. The charging period is quarterly and runs from 1 January to 31 March, 1 April to 30 June, 1 July to 30 September and 1 October to 31 December each year. The level of the Account Fee applicable is set out in the Key Features Document and may be varied in accordance with clause 27. If you hold both a SIF Plan and a SIF ISA, your Account Fee will be calculated and payable separately for each Account.

17.5 The Account Fee is payable by you in arrears and is calculated on the tenth Business Day following the end of each charging period. Where Shares have not been held for a full charging period then the Account Fee will be applied pro rata for the number of calendar days the Shares have been held during that charging period.

17.6 The Account Fee will be taken from money we hold as Client Money on your behalf in respect of your Account. However, we will not use any cash we hold for you pending investment or amounts awaiting payment out to you by way of proceeds from the sale of Shares or by way of Income or Interest.

17.7 Where such cash is available for payment of the Account Fee, we will take payment on the tenth Business Day following the end of each charging period. If we hold insufficient cash on your behalf on that date to pay the total Account Fee due, we will sell Shares held within your Account to raise the outstanding amount.

17.8 Where Shares are to be sold, we will place the instruction on the following Business Day after the Account Fee is calculated. We will sell Shares in proportion to the value of your total holdings in the Funds in your Account as at that date (Shares that have a value that is less than five percent of that total will be excluded). The proceeds will be held as Client Money until we take payment of the outstanding amount (which will be on the same day as settlement of the sale transactions). You may incur a liability to capital gains tax if your taxable gains from all sources during the year exceed your annual exemption.

17.9 Due to fluctuations in the price of Shares, we may not be able to sell the exact amount of Shares required to meet the balance of the Account Fee due. Any cash proceeds from the sale of Shares not used for the payment of the Account Fee will be retained and held by us on your behalf as Client Money.

17.10 You agree that we may use amounts held by us as Client Money on your behalf for the payment of the Account Fee and authorise us to take payment of the Account Fee from such amounts and to sell Shares in accordance with these Terms.

17.11 If, for any reason, we are not able to collect payment of all or any part of the Account Fee due from you in respect of your Account for a particular charging period, the outstanding amount will still be payable by you and we will have the right to collect payment from you of any such outstanding amounts owed. Where you have a joint Account, you will all together and individually be responsible for the payment of the Account Fee. Without limiting any other rights we may have, we may collect any outstanding Account Fee which has not been paid in accordance with clause 17, from money we hold as Client Money

on your behalf in your Account and/or through the sale of Shares within your Account when we are able to do so. We will let you know in writing before we do this.

17.12 We may pass all or part of the Account Fee received by us on to an Associate for services they provide to us in connection with managing and operating your account under these terms.

Other Charges

17.13 We may charge you or deduct from your Account:

- (i) £10 for providing a duplicate of information that has previously been supplied to you;
- (ii) £10 on each occasion you wish to exercise your right to vote; and
- (iii) any charges, fees or expenses payable to us under the Account.

17.14 On termination or transfer of the Account any fees due to the date of termination or transfer will be payable by you.

18. Statements

18.1 We will send you a half-yearly statement and a valuation of your Account as at or near to 5 April and 5 October. This will be sent to you within five weeks of the relevant date. You have the right to request additional statements of your Account investments at any time subject to the charges stated in Clause 17.13 (i).

18.2 The statement will show Payment(s), sales, purchases (including switches between Funds and/or Share classes), conversions between Share classes, fees (including the Account Fee), Income, Interest, Corporate Action and withdrawals made since the commencement of your Account or the date of the previous statement, as appropriate.

18.3 The valuation will be based on the selling price of Shares but it will not include any measure of performance.

18.4 We will also send you an investment report that will provide a market summary and information on our other investment products.

18.5 If you have a SIF Plan, each year you will be sent a summary of all distributions received in respect of the SIF Plan. Any interest credited in the previous Tax Year will also be included. This will be sent within ten weeks after the end of the Tax Year.

18.6 Where an Account Fee has been taken from your Account, any initial payment from cash held as Client Money and subsequent payment from cash held as Client Money resulting from the sale of appropriate Shares, will be shown as separate transactions.

19. Voting and Fund Information

19.1 Subject to clause 17.13, if you ask us, we will arrange for you to:

- (i) receive copies of the annual and interim reports and accounts last issued in respect of a Fund; and
- (ii) receive a copy of the relevant prospectus or equivalent document; and
- (iii) attend meetings which holders of the Shares are entitled to attend; and
- (iv) exercise the voting rights in respect of Shares held; and
- (v) receive any other information issued in respect of a Fund to investors in addition to the documents in this clause 19.

19.2 If you ask for copies of the reports and accounts, short form versions will be issued as standard. A specific request must be made to our Administrative Office for long form versions.

19.3 Subject to the Rules we may exercise the voting rights applicable to your Shares unless you have exercised them yourself.

20. Income

20.1 Where available, you can choose to have Income paid out or invested, either on your Application Form at the time of opening your Account, or by notifying us in writing at any time afterwards.

20.2 If you choose to have Income paid out, you must give us details of your bank or building society account on your Application Form or by writing to us. If we cannot pay out Income, for example, if you have provided us with incorrect bank details or any cheques issued are returned, any Income

will be added to the cash balance of your Account and may be used to pay the Account Fee in accordance with clause 17 and/or purchase further Shares. Where Shares are purchased they will be purchased proportional to the value of each Fund and class of Shares in your Account held at the time the purchase is undertaken.

20.3 Where you have chosen to have Income invested, we will use the Income in your Account to purchase further Shares in the Fund(s). The Income will be used to purchase Shares in the same class of Shares and the same Fund from which it was generated. If you no longer hold Shares in the class of Shares of the Fund from which the Income was generated, then the Income will be used to purchase further Shares proportional to the value of each Fund and class of Shares in your Account at the time the Income is invested.

20.4 If you have chosen to have Income paid out we will not make a payment to you unless the amount of Income and Interest is greater than £1.50. Income and Interest less than £1.50 will be retained in the relevant Account until further Income and Interest are added and the amount exceeds £1.50.

20.5 Such Income will normally be paid to you within four Business Days of being received into your Account. Where you have chosen to receive any Income quarterly, half-yearly or annually, such Income will be paid to you on the dates advised in the Key Features Document.

21. Termination

21.1 On termination, there may be some outstanding transactions. We will continue to operate your Account until they have been completed. Your Account will then be closed.

Termination by you

21.2 You may terminate your Account at any time by writing to our Administrative Office. Depending on your instructions we will:

- (i) sell all your Shares and pay you the value of your Account within five Business Days of receiving your instruction; and/or
- (ii) transfer the Account Investments to you without first selling the Shares within twenty five Business Days of receiving your instruction.

You can stipulate an alternative time period in which we will carry out your instructions provided such period is not less than that specified in clauses 21.2(i) and 21.2(ii).

Termination by us

21.3 We may terminate your Account immediately and close your Account in the following instances:

- (i) If you have seriously and/or persistently broken any of the Terms including where:
 - you are, or we reasonably suspect that you may be using or obtaining, or allowing someone else to use or obtain an account, service or money illegally; or
 - your Account is, or we reasonably suspect your Account is, being used for an illegal purpose; or
 - you are, or we reasonably suspect you may be, acting fraudulently; or
- (ii) in the circumstances set out in clause 26.1.6; or
- (iii) if we reasonably consider that by continuing our agreement with you:
 - we may break a law, regulation, code, court order or other duty; or
 - we, or an Associate, may be exposed to action or censure from any government, regulatory or law enforcement agency; or
- (iv) you were not entitled to open your Account or cease to be eligible for an Account as described in the Key Features Document; or
- (v) if we have reason to believe that your conduct will adversely affect the ability of others to trade or the terms on which they trade; or
- (vi) in the case of non-personal investors, if the corporate entity is declared insolvent. In practice we will follow the instructions of any administrator appointed in such a scenario.

We will inform you in writing immediately if we decide to close your Account under this clause 21.3.

21.4 We may also end our agreement with you and close your Account for any other valid reason by giving you at least 30 days' advance notice in writing.

21.5 If we terminate your Account, no additional charges will apply. Our letter of termination will tell you the options available to you which will include transferring your ISA to another ISA manager. However, if you close your ISA without transferring to another ISA manager the Account Investments will no longer be contained within an ISA and any associated tax benefits will be lost.

21.6 If your Account is to be closed under this clause 21 and we do not receive instructions from you within a reasonable time (which we will notify you of), we will sell any Shares within your Account and pay the value of the Account Investments out to you. If we are unable to contact you and your Account Investments remain unclaimed we may (on expiry of such period as may be specified in the Rules) pay away the relevant unclaimed sums in accordance with the Rules.

21.7 If your Account is closed any outstanding Account Fees applicable to the charging period in which your Account is closed will not be charged on your Account. All other outstanding charges on your Account will be deducted from your Account Investments before closure.

21.8 If we terminate your agreement and close your Account in the circumstances set out in clause 26.1.6, please be aware that, in some circumstances, we may also end or restrict the provision of any other services we provide to you or close any other accounts you have with us. In addition, other members of the HSBC Group may end their relationship with you and restrict or close accounts you hold with them or restrict or terminate the provision of any services to you (see clause 26).

Termination on Death

21.9 On your death:

- (i) Sole investors – The Account will terminate on your death, however your personal representatives should provide proof of the date of your death and of their appointment. Once we receive such proof as is acceptable to us, we will deal with the Account Investments in accordance with the instructions of your personal representatives who will become subject to these Terms. Any tax refunds claimed on your behalf after you die will be repaid to HM Revenue & Customs.
- (ii) Joint investors – If you have a joint SIF Plan, in the event of the death of one of the parties, and upon production of such proof of death as we may reasonably request, we will transfer the SIF Plan into the survivor's sole name subject to any rights which we or a third party may have. The Account will continue to be subject to these Terms.

22. SIF Plan- Re-registration of Shares into and out of your Account

22.1 If your Account is a SIF Plan, we can at your request arrange for Shares to be transferred into your Account without first being sold. We can only do this if your investments are in Funds within our range and your previous plan manager and/or the relevant Manager agrees.

22.2 It will normally take us up to a maximum of 30 days from the date we receive your Selected Investment Funds Plan Transfer Form (available by contacting us using the contact details at the beginning of these terms and conditions) to complete the transfer of your investments. However, the time period for completing this may depend on your previous plan manager or the relevant Manager and the time it takes them to send across the investments to us. There may be occasions where the transfer will take longer to complete due to other circumstances beyond our control.

22.3 Once your Shares have been re-registered into your Account, we will write to you to confirm the number of Shares that have been re-registered and the value of those Shares as at the date they were re-registered.

22.4 Where you ask us to do so, we can arrange for Shares to be transferred out of your Account and re-registered into your name or into the name of another nominee (plan manager). We can only do this if your new plan manager and/or the relevant Manager agree.

22.5 From the date we are in receipt of both your written instruction and confirmation of acceptance from your new plan manager and/or the Manager (as applicable), it will normally take up to 25 calendar days to transfer your Shares out of your Account.

There may be occasions where the transfer will take longer to complete due to other circumstances beyond our control.

22.6 If we subsequently receive any Income in respect of Shares which are no longer held within your Account and you remain entitled to that Income, we will pay that Income out to your new plan manager or the Manager. If your new plan manager or the Manager notifies us that they will not accept the payment, we will pay the relevant Income to you within five Business Days following notification by your plan manager or the Manager.

23. SIF ISA Transfers In

23.1 If your Account is a SIF ISA, you may transfer all or part of another ISA held with us or with another ISA manager into that Account. If you wish to transfer Subscriptions made in the current Tax Year then all Subscriptions made in the current Tax Year must be transferred.

23.2 In order to request an ISA transfer, you will need to complete a Selected Investment Funds ISA Transfer Form (available by contacting us using the contact details at the beginning of these terms and conditions) and return it to us by post. We will then contact the relevant ISA manager(s) on your behalf and arrange the transfer for you.

23.3 Payments from your previous ISA manager(s) will be invested in your SIF ISA in accordance with the instructions provided on the Selected Investment Funds ISA Transfer Form. Once we have received the initial Payment any subsequent monies received from the previous ISA manager(s) will be invested across the Fund(s) held in the relevant Account proportional to the value of each Fund and Share class in your Account at the time the monies are invested.

23.4 Alternatively, where requested to do so at the time you give your request to transfer in and if agreed with your previous ISA manager and each relevant Manager, we will also arrange for your Shares to be transferred into your SIF ISA without first being sold. We can only do this where the investments are in Funds in our range. If the Funds or classes of Shares you want to transfer are not available through the Account or your ISA manager or the Manager does not agree to re-register, we will instruct your ISA manager to sell your investments and transfer the value in cash. Please note that, we will not accept re-registrations of Legacy Share Class holdings into your SIF ISA. If we receive a request to re-register Legacy Share Class holdings into your SIF ISA we will instruct your ISA Manager to sell those holdings and transfer the value in cash. Alternatively, you may be able to agree with your ISA manager for your Legacy Share Classes to be converted to Clean Share Classes prior to re-registration.

23.5 It will normally take a maximum of 30 days to complete the transfer of your ISA into the SIF ISA, irrespective of whether the transfer is in cash, or Clean Share Classes. During this time your investment may be out of the market, which may move up or down resulting in a potential loss of growth and/or income.

However, the time period for completing your transfer request into your SIF ISA may depend on your previous ISA manager and the relevant Manager(s) and the time it takes them to re-register the investments. There may be occasions where the transfer will take longer to complete due to other circumstances beyond our control.

23.6 Once we have completed the transfer we will write to you to confirm the number of Shares that were purchased and/or re-registered into your Account, together with the share price and value as at the date the Shares were purchased and/or re-registered.

24. SIF ISA Transfers Out

24.1 If your Account is a SIF ISA, at your written request, we will transfer all or part of that Account (where appropriate with all rights and obligations of the parties to it) to another ISA manager, in accordance with the Regulations relating to transfers, provided the new ISA manager agrees to such a transfer. If your transfer request includes Subscriptions for the current Tax Year, these must be transferred in whole. If you transfer part of your SIF ISA to another ISA Manager any remaining amount held in any Fund in your SIF ISA must meet the minimum investment limits set out in the Key Features Document.

24.2 Where we are requested to transfer out the relevant value in cash, we will (where appropriate) sell the relevant Shares and transfer the cash value of your Account Investments to the ISA manager you have chosen.

24.3 Alternatively, if requested by you at the time you give your request to transfer, and if agreed with the new ISA manager and/or each relevant Manager, we will transfer the requested Shares directly to the new ISA manager without first being sold. Any cash we hold on your behalf as Client Money within your SIF ISA will also be transferred to the new ISA manager, subject to clause 24.6.

24.4 From the date we are in receipt of both your written instruction and confirmation of acceptance from your new ISA manager, it will normally take a maximum of 30 days to complete the transfer of your ISA out of the SIF ISA, irrespective of whether the transfer is in cash, or Clean Share Classes. During this time your investment may be out of the market, which may move up or down resulting in a potential loss of growth and/or income. There may be occasions where the transfer will take longer to complete due to other circumstances beyond our control.

24.5 Before we make a payment to you or transfer your SIF ISA, we shall be entitled to deduct from your Account an amount necessary to discharge all amounts in connection with your Account (including tax liabilities) which may be due from you to any person including us and HM Revenue & Customs.

24.6 If we subsequently receive any Income from Fund(s) transferred out, we will send it to your new ISA manager. If your new ISA manager refuses to accept the transfer of any cash we hold as Client Money on your behalf, we will pay it to you within five Business Days following receipt of the instruction from your new ISA manager.

24.7 Once we have completed the transfer we will write to you to confirm the number of Shares that were sold and/or re-registered out of your Account, together with the share price and value as at the date the Shares were sold and/or re-registered.

25. Withdrawal

25.1 You may withdraw all or part of your Account at any time. Following your instructions we will:

- (i) sell your Shares and pay you the amount of the withdrawal in accordance with clause 9; or
- (ii) transfer to you, your new plan manager(s) or new ISA manager(s) Shares to the value of the amount requested for withdrawal in accordance with clauses 22 and 24 (as applicable).

You can stipulate an alternative time period for the withdrawal, provided such period is not less than the relevant timescales quoted in clauses 9, 22 and 24 (as applicable).

25.2 When making a cash withdrawal, you must specify the Account, Fund(s) and class of Shares you wish the money to be withdrawn from otherwise we will not be able to carry out the sale transaction(s).

25.3 We have a minimum withdrawal amount and minimum balance requirement for each Fund. These are shown in the Key Features Document. If the minimum balance is not maintained when making a withdrawal from a Fund then we may require you to sell the remaining Shares in that Fund. The minimum balance is based on the selling price of the Shares at the time any withdrawal is made.

25.4 We can amend the minimum withdrawal amount and/or minimum balance requirement in accordance with clause 27.

25.5 As some Funds have different settlement periods this may mean that where you are making a cash withdrawal from more than one Fund, you may receive the proceeds as more than one payment. Further details about the settlement periods for each Fund can be found in the Fund Insert.

26. Your Information

Definitions

Capitalised terms used in this clause 26 shall have the following meanings:

Authorities includes any judicial, administrative, public or regulatory body, any government, any Tax Authority, securities or futures exchange, court, central bank or law enforcement body, or any of their agents with jurisdiction over any part of the HSBC Group.

Compliance Obligations means obligations of the HSBC Group to comply with: (a) Laws or international guidance and internal policies or procedures, (b) any demand from Authorities or reporting, disclosure or other obligations under Laws, and (c) Laws requiring us to verify the identity of our customers.

Connected Person means a person or entity (other than you) whose information (including Personal Data or Tax Information) you provide, or which is provided on your behalf, to any member of the HSBC Group or which is otherwise received by any member of the HSBC Group in connection with the provision of the Services. A Connected Person may include, but is not limited to, any guarantor, a director or officer of a company, partners or members of a partnership, any Substantial Owner, Controlling Person or beneficial owner, trustee, settlor or protector of a trust, account holder of a designated account, payee of a designated payment, your representative, agent or nominee, or any other persons or entities with whom you have a relationship that is relevant to your relationship with the HSBC Group.

Controlling Persons means individuals who exercise control over an entity. For a trust, these are the settlor, the trustees, the protector, the beneficiaries or class of beneficiaries, and anybody else who exercises ultimate effective control over the trust, and for entities other than a trust, these are persons in equivalent or similar positions of control.

Customer Information means your Personal Data, confidential information, and/or Tax Information or that of a Connected Person.

Financial Crime means money laundering, terrorist financing, bribery, corruption, tax evasion, fraud, evasion of economic or trade sanctions, and/or any acts or attempts to circumvent or violate any Laws relating to these matters.

Laws include any local or foreign law, regulation, judgment or court order, voluntary code, sanctions regime, agreement between any member of the HSBC Group and an Authority, or agreement or treaty between Authorities and applicable to us or a member of the HSBC Group.

Personal Data means any information relating to an individual, from which they can be identified.

Services includes (a) the opening, maintaining and closing of your bank, investment or other accounts, (b) providing you with credit facilities and other banking products and services (including, for example, investment dealing, discretionary investment management, broker, agency and custodian services), processing applications, credit and eligibility assessment, and (c) maintaining our overall relationship with you, including marketing services or products to you, market research, insurance, audit and administrative purposes. Services include all services provided to you in connection with your Account and these Terms.

Substantial Owners means any individuals entitled to more than 10% of the profits of or with an interest in more than 10% of an entity either directly or indirectly.

Tax Authorities means UK or foreign tax, revenue or monetary authorities (for example, HM Revenue & Customs).

Tax Certification Forms means any forms or other documentation which may be issued or required by a Tax Authority or by us from time to time to confirm your tax status or the tax status of a Connected Person.

Tax Information means documentation or information about your tax status and the tax status of any owner, Controlling Person, Substantial Owner or beneficial owner.

Reference to the singular includes the plural (and vice versa).

26.1 Collection, processing and sharing of customer information

This clause explains how we will use Customer Information. By using the Services, you agree that we and members of the HSBC Group may use Customer Information in accordance with such clauses.

Customer Information will not be disclosed to anyone other than where:

- we are legally required to disclose;
- we have a public duty to disclose;
- our, or a third party's, legitimate business purposes require disclosure;
- the disclosure is made with your consent; or
- it is disclosed as set out in this clause.

Collection

26.1.1 We and other members of the HSBC Group may collect, use and share Customer Information (including information about you, your transactions, your use of our products and services, and your relationships with the HSBC Group). Customer Information may be requested by us, by any member of the HSBC Group or by a third party on behalf of us or any member of the HSBC Group, and may be collected from you directly, from a person acting on your behalf or from other sources (including from publically available information), and it may be generated or combined with other information available to us or any member of the HSBC Group.

Processing

26.1.2 We will process, transfer and disclose Customer Information in connection with any of the following purposes (the "Purposes"):

- a. the provision of Services and to approve, manage, administer or effect any transactions that you request or authorise;
- b. meeting Compliance Obligations;
- c. conducting Financial Crime Risk Management Activity set out in clause 26.3 below;
- d. collecting any amounts due and outstanding from you;
- e. conducting credit checks and obtaining or providing credit references;
- f. enforcing or defending our rights, or those of a member of the HSBC Group;
- g. our internal operational requirements or those of any member of the HSBC Group (including credit and risk management, system or product development and planning, insurance, audit and administrative purposes);
- h. maintaining our overall relationship with you (including, if you agree, marketing or promoting financial services or related products, and market research); and/or
- i. verifying your identity.

Sharing

26.1.3 By using the Services, you agree that we may, as necessary and appropriate for the Purposes, transfer and disclose any Customer Information to the following recipients globally (who may also process, transfer and disclose such Customer Information for the Purposes):

- a. any member of the HSBC Group;
- b. any sub-contractors, agents, service providers, or associates of the HSBC Group (including their employees, directors and officers);
- c. any Authorities, in response to their requests, or where you have provided us with false or inaccurate information and Financial Crime is detected;
- d. persons acting on your behalf, payment recipients, beneficiaries, account nominees, intermediary, correspondent and agent banks, clearing houses, clearing or settlement systems, market counterparties, upstream withholding agents, swap or trade repositories, stock exchanges, companies in which you have an interest in securities (where such securities are held by us for you);
- e. any party to a transaction acquiring interest in, or assuming risk in, or in connection with, the Services;
- f. other financial institutions, fraud prevention organisations, trade associations, credit reference agencies or credit bureaus, and debt recovery agents;
- g. any third party fund manager who provides asset management services to you;
- h. any introducing broker to whom we provide introductions or referrals;
- i. any third party in connection with a transfer, disposal, merger or acquisition of business by us or any HSBC Group member; and
- j. selected third parties for marketing purposes where you have consented to marketing, wherever located, including in jurisdictions which do not have data protection laws providing the same level of protection as the jurisdiction in which the Services are supplied.

Your obligations

26.1.4 You agree to inform us promptly, and in any event, within 30 days, in writing if there are any changes to Customer Information supplied to us or a member of the HSBC Group from time to time, and to respond promptly to any request from us or a member of the HSBC Group.

26.1.5 You must ensure that every Connected Person whose information (including Personal Data or Tax Information) you (or anyone else on your behalf) provided or will from time to time provide to us or a member of the HSBC Group has been notified of and agreed to the processing, disclosure and transfer of their information as set out in these Terms before their information is provided. You must at the same time advise them that they have rights of access to, and correction of, their Personal Data.

26.1.6 Where:

- you fail to provide promptly Customer Information that we reasonably request, or
- you withhold or withdraw any consents that we may need to process, transfer or disclose Customer Information for the Purposes (except for purposes connected with marketing or promoting products and services to you), or
- we have, or a member of the HSBC Group has, suspicions regarding Financial Crime or an associated risk, we or any other member of the HSBC Group with which you have a relationship, may, where permitted by Laws:
 - a. be unable to provide new, or continue to provide all or part of any Services to you and may end the relationship with you;
 - b. take actions necessary for us or a member of the HSBC Group to meet the Compliance Obligations; and/or
 - c. block, transfer or close your account(s) you have with us or another member of the HSBC Group.

In addition, if you fail to supply promptly your, or a Connected Person's, Tax Information and accompanying statements, waivers and consents, as may be requested, then we may make our own judgment with respect to your status, including whether you are reportable to a Tax Authority, and we or other persons may withhold amounts where legally required by any Tax Authority and pay such amounts to the appropriate Tax Authority.

26.2 Data protection

26.2.1 You may be resident in countries where data protection laws don't provide the same level of protection as in the UK.

For example, tax reporting regulations may require us to report certain information about you (and/or about certain Connected Persons) to the tax authorities in the country in which your Account is maintained (eg, HM Revenue & Customs in the UK), which may transfer that information to tax authorities in countries where you or a Connected Person may be tax resident pursuant to international agreements to exchange financial account information.

However, whether it's processed in the UK or overseas, Customer Information will be protected by a strict code of secrecy and security applying to all members of the HSBC Group, their staff and third parties holding information on their behalf.

26.2.2 Under data protection legislation, individuals can make a written request for a copy of certain personal records we hold about them.

The current fee is £10.00 per request from each individual.

26.3 Financial Crime Risk Management Activity

26.3.1 We, and members of the HSBC Group, are required, and may take any action to meet Compliance Obligations relating to or in connection with the detection, investigation and prevention of Financial Crime ("Financial Crime Risk Management Activity").

Such action may include, but is not limited to: (a) screening, intercepting and investigating any instruction, communication, drawdown request, application for Services, or any payment sent to or by you, or on your behalf, (b) investigating the source of or intended recipient of funds (c) combining Customer Information with other related information in the possession of any member of the HSBC Group, and/or (d) making further enquiries as to the status of a person or entity, whether they are subject to a sanctions regime, or confirming their identity and status.

26.3.2 Exceptionally, our Financial Crime Risk Management Activity may lead to us delaying, blocking or refusing the making or clearing of any payment, the processing of your instructions or application for Services or the provision of all or part of the Services. To the extent permissible by law, neither we nor any other member of HSBC Group shall be responsible to you or any third party in respect of any loss (however it arose) that was suffered or incurred by you or a third party, caused in whole or in part in connection with the undertaking of Financial Crime Risk Management Activity.

26.4 Tax compliance

You acknowledge that you are solely responsible for understanding and complying with your tax obligations (including but not limited to, tax payment and filing of returns or other required documentation relating to the payment of all relevant taxes) in all jurisdictions in which those obligations arise and relating to the opening and use of account(s) and/or Services provided by us and/or members of the HSBC Group. Each Connected Person (acting in their capacity as a Connected Person and not in their personal capacity) also makes the same acknowledgement in their own regard. Certain countries may have tax legislation with extra-territorial effect regardless of your or Connected Person's place of domicile, residence, citizenship or incorporation. Neither we nor any member of the HSBC Group provide tax advice. You are advised to seek independent legal and/or tax advice. Neither we nor any member of the HSBC Group have responsibility in respect of your tax obligations in any jurisdiction in which they may arise including any that may relate specifically to the opening and use of account(s) and/or Services provided by us and/or members of the HSBC Group.

26.5 Website and email personalisation

When you use a computer or other device to access websites operated by or on behalf of the HSBC Group and associated third parties, information may be stored and accessed on that device:

- to improve your experience;
- to improve the functionality, security and performance of those websites;
- to provide you with promotional content; and/or
- to provide us with information about how those websites are used and how users arrive at those websites.

In the event that you receive emails sent by or on behalf of the HSBC Group, such emails may contain technologies to track for market research purposes whether you opened those emails and whether you accessed internet links contained within those emails. You agree to information being stored, accessed and used in this way.

Members of the HSBC Group may also exchange, analyse and use relevant information about you in the ways described above to ensure that promotional content displayed to you on screen when you use HSBC Group websites is more likely to be relevant and of interest. Further information is available on our cookie policy, and site terms and privacy statement at our website hsbc.co.uk.

26.6 Further information and marketing

26.6.1 To ensure that we carry out your instructions accurately, to help us to improve our service and in the interests of security, we may monitor and/or record your communications with us including telephone calls and conversations we have with you in our branches. In the interests of security and for preventing and investigating crime we may use closed-circuit television in and around our premises for the monitoring and collection of sound and/ or visual images. Any recordings remain our sole property.

26.6.2 We may make and retain copies of passports, driving licences or other identification evidence that you provide.

26.6.3 We will obtain your written consent before providing a banker's reference about you, however, if we receive a request from another financial services institution we will provide information required to verify your identity for money laundering prevention purposes.

26.6.4 If you change your mind at any time about receiving marketing information via post, telephone, email or any other method or about participating in market research, then please let us know.

26.7 Miscellaneous

26.7.1 Any consents, authorisations, waivers requested by us or any member of the HSBC Group and permissions that already exist from you in relation to Customer Information shall continue to apply in full-force and effect, to the extent permissible by applicable local law.

26.7.2 If all or any part of the provisions of these Terms become illegal, invalid or unenforceable in any respect under the law of any jurisdiction, that shall not affect or impair the legality, validity or enforceability of such provision in any other jurisdictions or the remainder of these Terms in that jurisdiction.

26.8 Survival on termination

This clause 26 shall continue to apply notwithstanding their termination, any termination by us or a member of the HSBC Group of the provision of any Services to you or the closure of any account, including the termination of this agreement.

27. Changing the Terms

27.1 We may amend these Terms (including introducing new charges or fees or making changes to the amount, rate of or basis on which we charge, including changes to the Account Fee), in the following ways:

- (i) if we reasonably consider that the change is favourable to you, by telling you about it within 30 days of the change;
- (ii) if the change is not favourable to you, by giving you at least 30 days' prior written notice before we make the change.

27.2 We may make any change to the Terms for all or any of the reasons set out in this clause 27 that apply.

- If the change is favourable to you.
- Following, or in anticipation of and to respond to a change in relevant law, regulation or to reflect a change in industry guidance or code of practice or good banking practice.
- To respond to the making of a recommendation, requirement or decision of any court, ombudsman, regulator or similar body.
- To respond to the costs or consequences of any event beyond our control that may impact our provision of accounts, services or facilities to you.
- To make the Terms clearer.
- To respond to any change in our systems and procedure, including any change arising from the reorganisation of our business as a result of it being acquired by or our acquiring another bank or organisation.
- To respond to changes or anticipated changes in costs associated with relevant technology, the costs we pay to others in respect of your Account, inflation and/or in our costs of providing accounts, services or facilities.
- To improve the service we provide.
- To respond to our internal policies on competitiveness, market share and/or the profitability of our business as a whole, where we are not acting dishonestly, for an improper purpose, in a manner which unreasonably discriminates against a particular customer or as an unreasonable financial institution would.

Other reasons for making a change

27.3 We may also make changes to the Terms (including introducing new charges or fees or changing the amount, rate of, or basis on which we charge, including changes to the Account Fee) for any other valid reason that applies and is not described in clauses 27.1 and 27.2 above. We will always give you at least 30 days prior written notice of any such change.

27.4 We will only make a change under clause 27.2 or 27.3 if the change is proportionate to the underlying reasons for the change and provided that, if we increase our charges (or introduce any new charges) we consider that any such change represents fair value for our service.

What you can do when we tell you about a change

27.5 You may close your Account in accordance with clause 21 within 30 days of the date of any advance notice of a change we send you or, if longer, up to the date the change is due to take effect. If you do not tell us that you want to close your Account by this time, then you will be deemed to have accepted such a change and the change will take effect automatically. There

will be no charge for closing your Account and you will not be charged any Account Fee for the charging period in which we receive your notice of termination.

28. General

28.1 We may decline to accept your instruction for the purchase or sale of Shares or delay acceptance of your instruction where we

- (i) reasonably believe that you are not eligible to hold Shares under the terms of the relevant Fund prospectus;
- (ii) reasonably consider that by accepting your instruction we may break a law, regulation, code, court order or other duty; or
- (iii) become aware or have reason to believe you are resident in or otherwise connected to a country into which we are not permitted to distribute or offer the Shares, provided that we will use reasonable endeavours to contact you personally unless we are not permitted to do so.

28.2 We will not be responsible to you for any loss you may suffer if we or an Associate are prevented from or delayed in complying with the Terms, carrying out your instructions to the extent the loss is caused by:

- (i) abnormal or unforeseen circumstances beyond our reasonable control, the consequences of which would have been unavoidable despite efforts to the contrary; and/or
- (ii) any obligations we have under applicable law and regulations. Nothing in these Terms is intended to exclude or limit our liability for personal injury, fraud, fraudulent misrepresentation or for any duty we may owe to you under the Rules.

We may occasionally allow you extra time to comply with your obligations or decide not to exercise some of our rights. However, we can still insist on the strict application of the Terms later on.

28.3 Nothing in these Terms will reduce your statutory rights relating to misdescribed products or services and the fairness of terms on which they are offered. For further information about your statutory rights contact your local authority Trading Standards Department or Citizens Advice Bureau. The services of the Citizens Advice Bureau may not be available to non-personal investors.

29. Governing Law

29.1 These Terms are governed by the laws of England and Wales. You and we submit to the non-exclusive jurisdiction of the courts in the jurisdiction in which you are habitually resident.

29.2 These Terms are in English and all communications we send to you will be in English.

30. Fraud Prevention

30.1 We may carry out certain checks on transactions on your Account as part of our fraud prevention measures. We may contact you by post, telephone (including mobile phone), email or mobile messaging to say there may be suspicious activity on your Account, or we may leave a message to ask that you call us. If we ask you, you must contact us as soon as possible. In respect of payments made through our telephone service, if you do not reply to us, we will assume you have not authorised the transaction and it will not proceed. This will not prevent you from later disputing you authorised the transaction.

30.2 We may, at any time, suspend your use of our telephone service if we have reasonable grounds which relate to the security of or the suspected unauthorised or fraudulent use of our telephone service. We will normally give you advance notice or contact you personally if we are going to suspend your use of our telephone service. We will tell you why we are taking this action but we will not give you notice or details of the reason for the suspension if this would compromise our reasonable security measures or if it is unlawful to do so. We may occasionally suspend your use of our telephone service without notifying you where we have been unable to contact you in advance. We may also suspend your use of our telephone service due to national or European legal obligations which apply to us.

General Information

Compensation

HSBC Trust Company (UK) Limited is covered by the Financial Services Compensation Scheme (FSCS). You may be eligible to compensation from the scheme if you have a valid claim against us in respect of investment business and we cannot meet our obligations. Most types of investment business are covered up to a maximum limit of £50,000 per person. For further information about the compensation provided by the FSCS (including the amounts covered and eligibility to claim) please refer to the FSCS website www.FSCS.org.uk or call the FSCS on 0207 741 4100. Please note only compensation related queries should be directed to the FSCS.

How to complain

If we do not deliver the standard of service you expect, or if you think we have made a mistake, please let us know. We will investigate the situation and, if necessary, set about putting matters right as quickly as possible. Where appropriate we will also take steps to prevent a recurrence. However, if the matter is not resolved to your satisfaction and you would like further information about our process for resolving complaints, please ask us for our explanatory leaflet 'Listening to Your Comments'. You may be able to refer your complaint to the Financial Ombudsman Service, Exchange Tower, London E14 9SR.

Telephone: 0800 0234 567 or 0300 1239123

Email: complaint.info@financial-ombudsman.org.uk
www.financial-ombudsman.org.uk

The Financial Ombudsman Service will generally review complaints from retail customers. However, their criteria for reviewing complaints may mean that even if you have been categorised by a provider of products and services as a retail client they may not regard you as an eligible complainant.

To help us continually improve our service and in the interests of security we may monitor and/or record your telephone calls.

HSBC Trust Company (UK) Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority and is entered on the Financial Services Register as number 119297. You can check this on the Financial Services Register www.fca.org.uk. Our main business is the provision of trustee services and administering investments.

Past performance is no guarantee of future performance. Funds are investment products and involve risk. The value of your investments (and the level of Income you receive from them) can fall as well as rise and so you may not get back the amount you originally invested.

Annex 1

Best Execution Disclosure Statement

Purpose and scope

This Best Execution Disclosure Statement provides a summary of the steps we will take to achieve the Best Possible Result for purchases or sales of Shares under our Execution Policy on a consistent basis. We will not execute any orders for the sale or purchase of Shares ourselves. Orders received will be transmitted for execution to an Associate, HSBC Bank plc who will execute them on our behalf.

Execution of Transactions

Your instructions for the purchase or sale of Shares will be executed within the time periods specified in the Terms or, where applicable, at such time as you instruct. The share price for all purchases and sales of Shares will be determined at the next valuation point following the receipt of our instructions by the relevant Manager.

Execution Venue

All instructions for the purchase or sale of Shares will be executed with the Manager, which will be the execution venue for the purposes of the Rules. Shares in Funds cannot be traded on a regulated market eg, The London Stock Exchange.

Effective date, review, amendments and monitoring

This Best Execution Disclosure Statement will be reviewed annually. We may amend this Best Execution Disclosure Statement as necessary and where a material change has occurred, we will inform you in writing. We will also regularly monitor our effectiveness in achieving the Best Possible Result for purchases or sales of Shares, including the effectiveness of our chosen broker, HSBC Bank plc.

Annex 2

HSBC Policy on Conflicts of Interest

'HSBC Group' means HSBC Holdings plc and its subsidiaries, associated and affiliated companies. The HSBC Group is a global organisation, which provides a wide range of financial services. As such, it, or a company with whom it has an association ('HSBC'), may from time to time have interests which conflict with its clients' interests or with the duties that it owes to its clients.

These include conflicts arising between the interests of HSBC, its associates and employees on the one hand and the interests of its clients on the other and also conflicts between clients themselves.

HSBC has established procedures, which are designed to identify and manage such conflicts. These include organisational and administrative arrangements to safeguard the interests of clients.

A key element of this policy is that persons engaged in different business activities involving a conflict of interest must carry on those activities independently of one another.

Where necessary, HSBC maintains arrangements which restrict the flow of information to certain employees in order to protect its clients' interests and to prevent improper access to client information.

HSBC may also deal as Principal for its own investment account and may be matching transactions with another client. Procedures are in place in order to protect the client's interest in this instance.

In some cases, HSBC's procedures and controls may not be sufficient to ensure that a potential conflict of interest does not damage a client's interests. In these circumstances, HSBC may consider it appropriate to disclose the potential conflict to the

client and obtain the client's formal consent to proceed. However, HSBC may decline to act in any circumstance where there is residual risk of damage to the interests of any client.

You may have further questions which relate to the underlying procedures within HSBC. In such cases you should contact us.

Customers with disabilities

If you'd like this in another format such as large print, Braille or audio please ask a member of staff. A textphone service is also available for customers with hearing and/or speech impairments. If you use your own textphone you can call us on 03457 125 563 (+44 207 088 2077 from overseas).

hsbc.co.uk

Issued by HSBC Trust Company (UK) Limited
PO Box 6189, Coventry CV3 9HS

Selected Investment Funds

Terms and Conditions

Effective Date 15 June 2017

How to contact us

Telephone – Call our Customer Service Centre on: 03457 456 123

By textphone for general enquiries: 03457 660 391

Lines are open 8am – 6pm Monday to Friday (excluding public holidays). To help us continually improve our services and in the interests of security, we may monitor and/or record your communications with us.

Post – Write to us at:

HSBC Trust Company (UK) Limited, PO Box 6189, Coventry CV3 9HS. If you write to us, we may need to contact you about your investment. Please provide a contact number to avoid delays in processing. Please note that, except where expressly permitted in the Terms, fund instructions may not be given by post. We will inform you of any changes to our contact details.

Introduction

The Selected Investment Funds is an investment service provided by HSBC Trust Company (UK) Limited through which you can open and invest in a range of funds through the Selected Investment Funds Plan and Selected Investment Funds ISA. The Selected Investment Funds Service may be available through your HSBC Bank plc Adviser. As the provider of your Account HSBC Trust Company (UK) Limited will not itself advise you in relation to your investment in the Funds and is not therefore required to assess the suitability of the service provided. Unless you separately receive advice from an HSBC Bank plc adviser, you will not therefore benefit from the protection of the Rules on suitability.

Your agreement with us in respect of each Account you hold (the 'Terms') consists of these Selected Investment Funds Terms and Conditions, your Application Form and the Key Features Document (including the Fund Insert and Effect of Charges Insert).

The Key Features Document includes important information relevant to the Terms including:

- the charges which are payable; and
- certain specific terms and conditions and limitations which apply to your investments in the Funds.

We will also provide you with the Key Investor Information Document or, if applicable, the Simplified Prospectus, produced by the Manager for the Funds you invest in.

You will be categorised as a retail client in relation to any Account you hold in the Selected Investment Funds.

No third party will have any rights under the Terms.

Please read the Terms before you apply and invest and keep them in a safe place. You can ask for a copy of the Terms at any time by calling or writing to us.

1. Definitions

In these Terms:

'Account' means a SIF Plan or a SIF ISA opened in accordance with these Terms or any previous terms and conditions, your Application Form, the Regulations and the Rules;

'Account Investments' means the Shares and cash held in the Account;

'Account Fee' means the fee we charge for the services we provide to you in connection with your Account and your Account Investments in accordance with these Terms as set out in the Key Features Document;

'Account Manager', 'we', 'us', 'our' or 'ourselves' means, unless otherwise advised in these Terms, HSBC Trust Company (UK) Limited which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority;

'Additional Permitted Subscription' means an additional subscription which you can apply to make into your Account following the death of your spouse or civil partner. The Additional Permitted Subscription will not count towards your current tax year ISA subscription limit.

'Administrative Office' means PO Box 6189, Coventry, CV3 9HS or such other address notified to you from time to time;

'Application Form' means the completed application form(s) used to open the Account or such other document or method of application as is acceptable to us;

'Associate' means any company in the same group as us and any of our or their subsidiaries as such term is defined in the Companies Act 2006 as amended or replaced from time to time;

'Automatic ISA Subscription' means selling Shares in your SIF Plan and using the proceeds to buy Shares to be held within your SIF ISA on the date(s) specified by us each Tax Year;

'Best Possible Result' means the best possible result for the purchase and sale of Shares in accordance with the Rules;

'Business Day' means Monday to Friday except UK public holidays;

'CASS Rules' means the rules of the FCA in relation to client money and assets;

'CAT Standards' means the voluntary standards for Charges, Access and Terms published by HM Treasury;

'Clean Share Class' means those classes of Shares for which the annual management charge does not include any commission or rebate to be paid to us or any Associate in respect of advising on or distributing those Shares;

'Client Money' means, in relation to the Account, money held on your behalf by us in our name and deposited with any third party nominated by us. Such money is identified as Client Money and is segregated from our money in accordance with the Rules;

'Corporate Action' means any mandatory or voluntary corporate action event including, without limitation, any events concerning takeovers, mergers, other offers or reorganisations and the exercise of conversion and subscription rights relating to Account Investments;

'Effect of Charges Insert' means the Effect of Charges Insert you were given when you applied for this Account which forms part of the Key Features Document together with any changes we subsequently tell you about;

'Effective Date' means the Business Day upon which we accept both your Application Form and initial Payment or, if you are re-registering Shares, your Application Form, Initial Payment and/or Shares;

'Execution Policy' means our internal policy setting out how we will deliver the Best Possible Result when we receive and transmit orders for the purchase and sale of Shares to our Associate for execution;

'Feeder Option' means the option for you to make an Automatic ISA Subscription;

'Financial Conduct Authority' or 'FCA' means the authority responsible for the conduct supervision of all regulated financial firms and the prudential supervision of those not supervised by the Prudential Regulation Authority;

'Fund' or 'Funds' means the investment fund(s) from the range we offer from time to time;

'Fund Insert' means the Fund Insert you were given when you applied for this Account which forms part of the Key Features Document together with any changes we subsequently tell you about;

'Income' means any income including dividends and tax reclaims but excluding Interest held in your Account;

'Interest' means any money earned on cash which is held on your behalf as Client Money within your Account;

'ISA' means an Individual Savings Account in accordance with the Regulations;

'Key Features Document' means the key features document (including the Fund Insert and Effect of Charges Insert you were given when you applied for this Account) and any changes we subsequently tell you about;

'Key Investor Information Document' or 'KIID' means the Key Investor Information Document produced by the relevant Manager (where available) and made available to you by us before you purchase Shares in an Account;

'Legacy Share Classes' means classes of shares in funds for which the annual management charge includes payments of commission by the product provider to the relevant distributor;

'Manager' means the manager or the Authorised Corporate Director (ACD) of a Fund;

'New Provider' means an entity to which we transfer your agreement with us under clause 6.1 of these Terms;

'Nominee' means the Company appointed to hold Shares on your behalf, being a non-trading company within the HSBC group;

'Payment' or **'Payments'** means any cash amount received from you, or from another ISA manager on your behalf, for investment in your Account;

'Prudential Regulation Authority' means the authority responsible for the prudential supervision and regulation of banks, building societies, credit unions, insurers and investment firms;

'Regulations' means the Individual Savings Account Regulations 1998 as amended or replaced from time to time, and any other applicable statutes and regulations;

'Rules' means the rules of the FCA that apply to your Account;

'Share' or **'Shares'** means units or shares in a Fund;

'SIF ISA' means an Account which is a Selected Investment Funds stocks and shares ISA opened with us in accordance with these Terms;

'SIF Plan' means an Account opened with us in accordance with these Terms which is not a SIF ISA;

'Subscription' or **'Subscriptions'** means any contribution made by you to your Account during a Tax Year that counts towards the annual subscription limits under the Regulations, and where applicable, an Additional Permitted Subscription;

'Tax Year' means a year beginning on 6 April and ending on the following 5 April;

'Terms' means these terms and conditions together with the Application Form and Key Features Document;

'You' or **'Your'** means the person(s) whose name(s), address(es) and other particulars appear in the relevant Application Form.

2. Appointment

2.1 You appoint us as the Account Manager to manage your Account in accordance with these Terms, the Regulations and the Rules.

2.2 You authorise us to claim and receive distributions from Funds, interest payments and other entitlements accruing in respect of your Account and to take any applicable Account Fee.

3. Cancellation

3.1 Following your first Payment into your Account, we will send you a reminder of your right to cancel your Account. If you wish to cancel your Account under this clause 3, you may notify us by writing to our Administrative Office within 30 days of the date we purchased your Shares. If an Account Fee has been collected we will return all of that fee to you. You also have the right to terminate your Account at any time in accordance with clause 21 subject to paying any outstanding fees and charges.

3.2 Where we have received a Payment directly from you and you wish to cancel your Account under this clause 3, we will sell all the Shares relating to that Payment in your Account and return the Payment to you.

3.3 Where we have received a Payment into your SIF ISA by way of a transfer of an existing ISA from another ISA manager, if you exercise your right to cancel:

(i) we will sell the Shares in your SIF ISA and hold your Payment as Client Money, until we receive your further instructions;

(ii) if your further instructions are not received within a further 30 Business Days, we may return your Payment to you.

If we return your Payment to you, this will result in a loss of the tax benefits relating to holding your Payment within an ISA.

3.4 If you cancel an Account and a Payment is returned to you: (i) if the value of the Shares purchased with your Payment has fallen the cash amount returned to you will be reduced. If the value of the Shares purchased with your Payment has increased the amount returned to you will be your initial Payment only.

(ii) all Payments will be returned without interest.

3.5 Where we have received Shares into your Account, if you exercise your right to cancel:

(i) we will retain the Shares in your Account pending further instructions from you;

(ii) if your further instructions are not received within a further 30 Business Days, we may return all your Shares to you. Where the relevant Manager(s) agree, this means that we will re-register those Shares into your name and return them to you.

The value of the returned Shares will be subject to fluctuations and therefore may be more or less than their value at the time they were transferred into your Account.

Where Shares have been transferred into your SIF ISA, if we return your Shares to you in this way this will result in a loss of the tax benefits relating to holding your investments within an ISA.

If we cannot re-register Shares into your name we may sell those Shares and return the cash proceeds to you. The proceeds from the sale of those Shares may be less than the value of those Shares at the time they were transferred to us due to market movement.

3.6 If you cancel an Account and Shares are returned to you any Income earned by those Shares will be paid out to you.

3.7 If you choose not to exercise your right to cancel under this clause 3 you will be subject to these Terms including all the risks and charges. Please note that we will not allow you partially to cancel your Account.

4. Management

4.1 Each Fund is subject to a minimum investment limit and minimum remaining investment limit. The minimum limits are set out in the Key Features Document and are available on request. We may change the minimum investment limits in accordance with clause 27.

4.2 Where you have opened a SIF ISA on the basis that it complies with the CAT Standards, your SIF ISA will be managed in accordance with those standards. Where we decide that it is no longer possible to manage the SIF ISA according with those standards then, provided we have given you not less than 90 days prior written notice, your CAT Standard SIF ISA will be managed on terms equivalent or better than those standards. We no longer offer a CAT Standard SIF ISA for new investment.

4.3 Income or other monies pending investment or payment to you will be held as Client Money in accordance with clause 13.

4.4 Any Interest earned on the money held as Client Money will be credited to your Account quarterly in March, June, September and December. Interest is variable and is paid at 2.5% below the Bank of England base rate. Where the Bank of England base rate is 2.5% or lower, no interest will be earned on uninvested cash held as Client Money. We will also not pay interest on any money held as Client Money which is returned to you under clause 3.4.

(i) In the case of the SIF Plan, Interest will be paid gross.

(ii) Where you have chosen to have Income invested, any Interest earned may be used to pay the Account Fee in accordance with clause 17 and/or purchase further Shares. Where the Interest is invested, it will be used to purchase Shares proportional to the value of each Fund in your Account held at the time the investment is undertaken. Interest will be invested back into the Account in which it was earned.

(iii) Where you have chosen to have Income paid out, any Interest earned will be paid out to you within four Business Days of it being received into your Account providing the amount of Income and Interest due is greater than £1.50. Interest less than £1.50 will be retained in the relevant Account until further Income or Interest is added and the amount exceeds £1.50.

(iv)(a) Once any type of payment is issued by us to you from your Account, we will not pay any further Interest to you on the amount of the payment.

(b) If you are closing your Account or transferring your Account to another ISA manager we will not pay you Interest on any further Income (for example residual distributions) that may be received into your Account.

4.5 We have the right to deduct an amount from your Account necessary to reduce or repay any amounts which are due from you on the Account. This could involve selling any Shares that we may choose, or deducting money from any future Income or Interest. These may include any Account Fee and/or outstanding tax liabilities or charges.

4.6 We or any Associate may aggregate any transaction for you with those of other investors although this may result in a less favourable transaction price on a particular order than might have been achieved had the transaction been effected separately. This may result in a dilution levy or dilution adjustment being applied by the Manager on the purchase or sale of Shares in order to protect the interests of the remaining investors in the relevant Fund.

We will only aggregate orders in line with our or our Associate's order allocation policy and where it is unlikely that the aggregation will work to your overall disadvantage.

4.7 If we receive more than one instruction from you at the same time your instructions will be carried out separately. This means that such instructions will potentially be subject to different Share prices. Any Payments will normally be processed first and if necessary we will seek clarification of your instructions.

4.8 Where a SIF Plan is held in joint names, we will only accept instructions to cancel, make a withdrawal, convert between classes of Shares, switch Funds or terminate the Account if the instruction is given by all holders.

4.9 We will notify you if, by reason of any failure to satisfy the Regulations, your ISA (or any part of it) has or will become void. As soon as practicable thereafter we shall write to you with details of the corrective action taken. Any action taken will be subject to such deductions (if any) as we may require to meet tax or other liabilities.

4.10 If your ISA has become void because invalid subscriptions have been made to it, we will remove the invalid subscriptions and place them either into a new SIF Plan that we will open in your name for you or into an existing SIF Plan in your name if you already hold one. If we open a new SIF Plan for you, you will automatically be subject to the terms and conditions of that new SIF Plan.

4.11 If you apply to open a SIF Plan under trust we will use the trust deed for verification of the nature and purpose of the trust and the names of the trustees only. We will not be obliged to adhere to the contents of the trust deed.

Additional Permitted Subscription

4.12 If your spouse or civil partner dies you may be able to make an Additional Permitted Subscription into your Account. You must complete the relevant form each time that you wish to make an Additional Permitted Subscription.

4.13 The Additional Permitted Subscription must not exceed the combined value of your spouse or civil partner's ISAs which they held at the date of their death (including any income accrued, but not paid or credited to the ISA at the date of death), and must be made in accordance with the requirements set out in the Regulations.

4.14 You may make several Additional Permitted Subscriptions; however, they must not, in aggregate, exceed the combined value of your spouse or civil partner's ISAs as at the date of their death and must be made within the timescales set out in the Regulations.

4.15 We will not accept an Additional Permitted Subscription where we know that the information you provide in the relevant form is false or where the requirements set out in the Regulations are not satisfied.

Corporate Actions – Entitlement to shares and other benefits

4.16 For any Corporate Action, entitlements to shares and any other benefits, including cash proceeds, will be distributed amongst all investors who hold investments as described in Clause 13.2. The distribution will be in the same proportion as the respective holdings of clients who have given identical instructions in connection with the relevant Corporate Action. In the case of mandatory Corporate Action, investor instructions will be deemed to have been given. In the case of voluntary Corporate Actions, the entitlement will be paid on the default option for any events not instructed on.

4.17 We will apply any share entitlements to the fullest extent possible however where any Corporate Action results in you being entitled to the cash value of a fraction of a share, we will credit your Account with that cash amount in full.

5. Delegation

5.1 We may delegate any of our functions under these Terms to any person however, before doing so and from time to time thereafter, we will satisfy ourselves that such person is competent to carry out those functions. We will remain fully responsible to you for our service under these Terms notwithstanding any such delegation.

6. Transfer of your agreement

6.1 We may not transfer your agreement with us under these Terms to a third party without your consent, except that you agree we may transfer it to an Associate (which is suitably authorised and capable of providing the services to you at a similar level of service) as part of an internal re-organisation of our business. In the event that we do undertake such a transfer, we will give you at least 30 days' advance personal written notice of the change. In these circumstances, the new contracting entity will assume our obligations to provide the services to you, and our rights to benefit (such as receiving charges), under these Terms in our place. If you do not agree to the transfer, you have the right to end this agreement in accordance with clause 27.5 and where relevant, transfer your Shares to another provider.

6.2 If we transfer our business to a New Provider in accordance with clause 6.1 of these Terms, we may also transfer your Client Money to the New Provider. In these circumstances, we will ensure that the New Provider will hold your Client Money in accordance with the CASS Rules or, to the extent the New Provider will not hold this money as Client Money, we will exercise all due skill, care and diligence in assessing whether the New Provider will apply adequate measures to protect your Client Money when transferred to that New Provider.

7. Material Interests

7.1 A summary of the HSBC policy on conflicts of interests is set out in Annex 2 at the end of these Terms.

7.2 We owe you a duty to act in your best interests in carrying out any transaction for your Account.

7.3 In some circumstances we may, without prior reference to you, (and without having to account to you for any benefit received as a result) carry out any transaction for your Account even though:

- (i) a conflict may arise between our interests or that of any of our customers and our duty to you; or
- (ii) we act on our own behalf or as agent of an Associate; or
- (iii) we act as agent for you and for another party to the transaction (including an Associate); or
- (iv) it relates to Shares, the issue, offer or sale of which has been underwritten, managed or arranged by an Associate within the previous twelve months; or
- (v) we act for more than one investor (including you) collectively.

8. Communications

8.1 You agree that we may use any contact details you have provided to us to communicate with you, including your postal address, telephone number(s) (including your mobile telephone number) and email address.

Please tell us as soon as you can if you change any details in respect of your Account. We will not be responsible for communications or notices sent to your old details prior to our receipt of your new details or the consequences of your non receipt of such communications unless this is due to our mistake or negligence.

8.2 All communications relating to your Account must be sent to us in writing at our Administrative Office, unless otherwise permitted within these Terms (including where set out in the Key Features Document).

8.3 We will not accept any instructions relating to transactions in Fund Shares received from you by way of secure e messaging or email or any other form of electronic message.

8.4 You will be deemed to have received any written communications from us on the fifth Business Day after posting.

9. Buying and Selling Shares

9.1 You may provide us with instructions to buy and/or sell Shares. We will normally place your instruction with the Manager for the purchase or sale of Shares within 24 hours of receipt of your instructions (together with, for the purchase of Shares, the applicable Payment) whether your instructions are in writing or by telephone. All instructions to buy and/or sell Shares, whether in writing or by telephone which are received after 12pm will be treated as though they were received at 9am on the following Business Day. The Shares will be purchased or sold at the price calculated at the next available valuation point from the Business Day on which we place your instructions. We may occasionally suspend dealing in any Fund for a temporary period where we are required to do so to respond to a change in relevant law, regulation or to reflect a change in industry guidance or code of practice or good banking practice, or good industry practice, or to respond to the suspension of the Fund by the Manager. You will not be able to place any instruction to buy and/or sell Shares in the affected Fund(s) during the relevant suspension period. We will give you advance notice in writing of any such suspension provided that it is reasonably practicable for us to do so.

9.2 We will act as an intermediary in making arrangements for the purchase or sale of Shares for your Account.

9.3 We will write to you to confirm how many Shares have been bought and/or sold for you, the Share price and the price of the Shares at the time the transaction was executed.

9.4 We will not usually write to you where Shares are purchased in the following circumstances (unless they take place at the same time as a lump sum purchase):

- Reinvesting Income
- Reinvest the Interest paid on money held as Client Money
- Where Shares are purchased with regular Payments, (except where Shares are purchased with a combined lump sum and regular Payment).

9.5 We will not usually write to you where Shares are sold to pay an Account Fee. Details of these transactions will appear on your half-yearly statement.

9.6 You will not receive any share certificates in respect of your investment.

9.7 If you instruct us to buy Shares and a KIID is available for the Fund you wish to invest in, if we cannot confirm that you have received the most recent version of the KIID for that Fund, we will send you the most recent version of the KIID after your instruction has been processed.

9.8 Purchases and sales of Shares will be received and transmitted by us to an Associate for execution in accordance with our Best Execution Disclosure Statement, which is set out in Annex 1 at the end of these Terms.

9.9 You agree and confirm that for such time as we are appointed as the Account Manager you will be deemed to have consented to our Execution Policy.

9.10 You cannot elect to hold the proceeds from the sale of Shares as cash in the Account.

9.11 Where you sell Shares, we will normally pay the proceeds out to you within seven Business Days of the date we place your instruction with the Manager (subject to receipt of the proceeds from the Manager).

10. Regular Payments

10.1 Where available, you can invest regularly by making monthly Payments into your Account by direct debit.

10.2 Shares will normally be purchased within four Business Days of us receiving each regular Payment. We will send you a letter confirming receipt of your application to make regular Payments.

10.3 Subject to the minimum investment limits stated in the Key Features Document you may increase, decrease or stop your regular Payments at any time. Your written notice must reach our Administrative Office at least seven Business Days before the payment date from which the change or stop is to be effective, otherwise it will be effective from the following payment date.

10.4 If you instruct us to increase your direct debit and we cannot confirm that you have received the most recent version of the KIID (where available) for the Fund you want to invest in we will send you the most recent version of that KIID after your instruction has been processed.

10.5 If you stop your regular Payments and the value of any Fund within your Account is less than the minimum investment limit required for that Fund:

- (i) we will retain the Shares in your Account pending further instructions from you; or
- (ii) if your further instructions are not received within a further 30 Business Days, we may return all your Shares to you. Where the relevant Manager(s) agree, this means that we will re-register those Shares into your name and return them to you. Where the Shares are held in a SIF ISA, you will lose your ISA benefits in respect of those re-registered Shares.

The value of the returned Shares will be subject to fluctuations and therefore may be more or less than their value at the time they were bought and invested into your Account.

If we cannot re-register Shares into your name we may sell those Shares and return the cash proceeds to you. The proceeds from the sale of those Shares may be less than the value of those Shares at the time they were bought.

10.6 If we are unable to collect any regular Payment because it is refused, we reserve the right to stop collecting future regular Payments. We will send you a letter to let you know if we do this.

11. Feeder Option

11.1 For certain Funds we will allow you to have a Feeder Option. The Funds available for a Feeder Option are shown in the Key Features Document and may vary from time to time. On giving you 30 days written notice we may change the Funds available for a Feeder Option.

11.2 You may only select one Fund and class of Shares in that Fund from your SIF Plan for your Feeder Option.

11.3 Each year we will write to you to tell you the date(s) on which we will make an Automatic ISA Subscription from your selected Fund and class of Shares you are holding within your SIF Plan into the same Fund and class of Shares you are holding within your SIF ISA.

11.4 The amount of the Automatic ISA Subscription will be the value of your selected Fund and class of Shares held in your SIF Plan, provided this is at least £1, subject to the maximum Subscription amounts specified for a stocks and shares ISA under the Regulations.

11.5 If the maximum Subscription amount increases during a Tax Year, we may make more than one Automatic ISA Subscription for that Tax Year.

11.6 You may tell us in writing not to make an Automatic ISA Subscription for a Tax Year. We must receive your instructions at least five Business Days before the date of the Automatic ISA Subscription specified in our letter. If you tell us not to make an Automatic ISA Subscription, you may need to complete a new Application Form before a further Automatic ISA Subscription can be made. We will supply you with an Application Form to complete before the Automatic ISA Subscription for the next Tax Year. However, if the Automatic ISA Subscription is not made for two consecutive Tax Years we will not send you a further Application Form.

11.7 If the value of the Fund you have chosen for a Feeder Option is nil for one complete Tax Year, a further Automatic ISA Subscription cannot be made until you complete a new Application Form. You should contact us to obtain an Application Form in this case.

12. Additional ISA Investment

12.1 If you do not make a Subscription to your SIF ISA during one complete Tax Year, you will need to complete a new Application Form before you can make any Subscriptions to your SIF ISA in subsequent Tax Years.

13. Custody and Cash in your Account

13.1 You will be, and will remain, the beneficial owner of the Shares in your Account. However, the title to any Shares in your Account will be registered in the name of our Nominee. We remain responsible for the custody of the Shares in your Account to the full extent required by the Rules.

13.2 Your Shares will be registered with investments made by other investors in the name of our Nominee and will be segregated from our property in order to protect your interests in the event that HSBC Trust Company (UK) Limited or our Nominee were to fail. Your Shares will be held on an omnibus basis which means that they will be pooled with those of other investors

and may not therefore be individually and separately identifiable. However we will keep a separate record of your individual entitlement.

13.3 If we or our Nominee default then any irreconcilable shortfall in the Shares registered in the same Nominee name may be shared pro rata among all investors whose investments are so registered.

13.4 We may sell Shares in your Account for the purpose of paying the Account Fee in accordance with clause 17. However our power to deal with your Shares is subject at all times to our fiduciary duties and the Rules. You may not use your Account Investments as security for a loan.

13.5 All Payments into your Account pending investment, together with any Income, Interest, or other monies pending investment or payment out to you will be held as Client Money on trust for you in accordance with the Rules. Client Money will be deposited with a number of financial institutions which may include HSBC Bank plc and/or other third party financial institutions as we may nominate from time to time. We remain responsible to you for your Client Money to the full extent required by the Rules. Interest is payable on Client Money in accordance with clause 4 above.

13.6 We have policies and procedures in place to undertake checks and reconciliations of the records and accounts of your Shares, resolve any discrepancies which are identified and to deal with any shortfalls in your Shares. Where we are responsible for any such shortfall we may hold Client Money immediately at our cost to correct our position.

13.7 In the event HSBC Trust Company (UK) Limited (or a third party bank with which your Client Money is deposited) were to fail, FCA's client money distribution rules contained in the Rules apply to your Client Money. The purpose of the client money distribution rules is to protect your interests and seek to facilitate the timely return of your Client Money following any such failure.

13.8 The protection accorded to your Account Investments under the Rules is in addition to any rights you may have, subject to eligibility, to claim compensation under the Financial Services Compensation Scheme, as set out in the section below entitled 'General Information – Compensation'.

14. Conversion

14.1 Where the relevant Manager has agreed with us to do so, you may convert all or part of your holdings in a class of Shares within your Account for the equivalent value of Shares of another class of the same Fund.

14.2 You can request a conversion in writing or by telephone (telephone instructions received after 2pm will be treated as though they were received on the following Business Day).

14.3 Upon receipt of your instructions we will normally place your request to convert with the Manager on the next Business Day. Where we are not able to do this, we will place your instructions within three Business Days of receipt of your instructions. The Manager will normally complete the conversion on the Business Day we place the instruction. However, some Managers have restrictions to the dates when conversions can be processed and the type of conversions they can facilitate. You should refer to the Fund Insert for specific conversion information about each Manager and Fund.

14.4 Your Shares will not be out of the market during the conversion process.

14.5 We will write to you to confirm your holdings in the class of Shares you have converted to once the conversion is complete.

14.6 If you instruct us to convert classes of Shares and we cannot confirm that you have received the most recent version of the KIID (where available) for the class of Share you want to convert into, we will provide you with a KIID for that class of Share after your instruction has been processed.

14.7 Please note that conversions may not be available for all Funds. If you request a conversion and a conversion is not available for the relevant Fund, unless your request also includes a request to switch where conversion is not available, we will not process your request. You will need to place a separate switch instruction with us if you still wish to change the class of Shares you hold in the Fund. However, if your instruction does not specify whether you require a conversion or a switch, we will first look to process a conversion but if this is not available we will

treat your instruction as a switch instruction in accordance with clause 15.

15. Switching

15.1 You may switch between Funds and/or classes of Shares either within the same SIF Account or from one SIF Account to another SIF Account (excluding switches from a SIF ISA to a SIF ISA), by telling us in writing or by telephone. Telephone instructions received after 2pm will be treated as though they were received on the following Business Day. Upon receipt of your instructions:

(i) in the case of a switch within the same Account we will normally place the order to sell Shares in the Fund and class of Shares with the Manager on the next Business Day. Shares will be sold using the share price at the next available valuation point on or following the Business Day we place your order with the Manager. Once we have received confirmation from the Manager that your Shares have been sold we will normally place the order to purchase Shares on the following Business Day. Confirmation from the Manager received after 5pm will be deemed to have been received on the following Business Day. If the settlement period for the Fund you have instructed us to switch into is shorter than the Fund you are switching out of, we will delay placing your order to purchase Shares. This will normally result in the settlement of both transactions taking place on the same day. Shares will be purchased using the share price at the next available valuation point on or following the Business Day we place your order to buy the Shares with the Manager.

Where the settlement periods for the fund you are switching out of and the fund you are switching into are the same, the switch process will normally take up to four Business Days. Your investment will normally be out of the market for two Business Days and during this time the market may move up or down, resulting in potential loss of growth and/or Income.

Where the settlement period for the fund you are switching into is shorter than the settlement period for the fund you are switching out of, the switch process may take longer and could take up to six Business Days. Your investment could be out of the market for up to four Business Days and during this time the market may move up or down, resulting in potential loss of growth and/or Income.

(ii) in the case of a switch between Accounts we will normally place the order to sell Shares in the Fund and class of Shares with the Manager within two Business Days. Shares will be sold using the share price at the next available valuation point on or following the Business Day we place your order to sell the Shares with the Manager. Once we have received confirmation from the Manager that your Shares have been sold we will normally place the order to purchase Shares within five Business Days. Confirmation from the Manager received after 5pm will be deemed to have been received on the following Business Day. Shares will be purchased using the share price at the next available valuation point on or following the Business Day we place your order to buy the Shares with the Manager. Your investment will be normally out of the market for up to five Business Days and during this time the market may move up or down, resulting in potential loss of growth and/or Income.

15.2 We will write to confirm your holdings in the Fund you have switched to once the switch has been completed.

15.3 If you instruct us to switch Funds and/or Share classes and we cannot confirm that you have received the most recent version of the KIID (where available) for the Fund and class of Shares you want to switch in to we will provide you with a KIID for that Fund and class of Shares after your instruction has been processed.

15.4 If you request us to switch between classes of Shares of the same Fund and a conversion is available for that Fund we will convert your holdings between those classes of Shares instead of switching them. If your instruction does not specify that you require a conversion or a switch, we will first look to process a conversion but if this is not available we will treat your instruction as a switch instruction in accordance with this clause 15.

16. Adding or Removing Funds

16.1 We may add or remove Funds from the range we offer. Our range is shown in the Fund Insert. We will notify you of Funds added or removed.

16.2 If we are notified by a Manager that a Fund is to be wound up we will give you as much written notice as practicably possible in accordance with the Rules, with details of the options available to you.

16.3 If we are notified by a Manager that a Fund is to be closed to new business, while you can continue to hold your Shares in that Fund, you will not be able to make any further Payment into that Fund.

17. Charges

17.1 The charges associated with your Account are explained in the Key Features Document, Fund Insert and/or these Terms.

We may make changes to the charges we apply to your Account (including introducing new charges or fees or making changes to the amount, rate or basis on which we charge) in accordance with clause 27.

17.2 Charges may also be applied by Managers in respect of the Fund. These may include ongoing charges and/ or redemption charges. Full details of the charges associated with a particular Fund and any payments we may receive from a Manager in respect of a Fund can be found in the Fund Insert. The Managers may change their charges at any time in accordance with the fund prospectus. As soon as reasonably practicable after we receive this notification, we will inform holders of Shares in the affected Funds of the relevant change.

Account Fee

17.3 Where you hold Shares within your Account, an Account Fee will be payable by you.

17.4 The Account Fee is calculated as a percentage of the average value of Shares held within your Account on each calendar day during the charging period. The charging period is quarterly and runs from 1 January to 31 March, 1 April to 30 June, 1 July to 30 September and 1 October to 31 December each year. The level of the Account Fee applicable is set out in the Key Features Document and may be varied in accordance with clause 27. If you hold both a SIF Plan and a SIF ISA, your Account Fee will be calculated and payable separately for each Account.

17.5 The Account Fee is payable by you in arrears and is calculated on the tenth Business Day following the end of each charging period. Where Shares have not been held for a full charging period then the Account Fee will be applied pro rata for the number of calendar days the Shares have been held during that charging period.

17.6 The Account Fee will be taken from money we hold as Client Money on your behalf in respect of your Account. However, we will not use any cash we hold for you pending investment or amounts awaiting payment out to you by way of proceeds from the sale of Shares or by way of Income or Interest.

17.7 Where such cash is available for payment of the Account Fee, we will take payment on the tenth Business Day following the end of each charging period. If we hold insufficient cash on your behalf on that date to pay the total Account Fee due, we will sell Shares held within your Account to raise the outstanding amount.

17.8 Where Shares are to be sold, we will place the instruction on the following Business Day after the Account Fee is calculated. We will sell Shares in proportion to the value of your total holdings in the Funds in your Account as at that date (Shares that have a value that is less than five percent of that total will be excluded). The proceeds will be held as Client Money until we take payment of the outstanding amount (which will be on the same day as settlement of the sale transactions). You may incur a liability to capital gains tax if your taxable gains from all sources during the year exceed your annual exemption.

17.9 Due to fluctuations in the price of Shares, we may not be able to sell the exact amount of Shares required to meet the balance of the Account Fee due. Any cash proceeds from the sale of Shares not used for the payment of the Account Fee will be retained and held by us on your behalf as Client Money.

17.10 You agree that we may use amounts held by us as Client Money on your behalf for the payment of the Account Fee and authorise us to take payment of the Account Fee from such amounts and to sell Shares in accordance with these Terms.

17.11 If, for any reason, we are not able to collect payment of all or any part of the Account Fee due from you in respect of your Account for a particular charging period, the outstanding amount will still be payable by you and we will have the right

to collect payment from you of any such outstanding amounts owed. Where you have a joint Account, you will all together and individually be responsible for the payment of the Account Fee. Without limiting any other rights we may have, we may collect any outstanding Account Fee which has not been paid in accordance with clause 17, from money we hold as Client Money on your behalf in your Account and/or through the sale of Shares within your Account when we are able to do so. We will let you know in writing before we do this.

17.12 We may pass all or part of the Account Fee received by us on to an Associate for services they provide to us in connection with managing and operating your account under these terms.

Other Charges

17.13 We may charge you or deduct from your Account:

- (i) £10 for providing a duplicate of information that has previously been supplied to you;
- (ii) £10 on each occasion you wish to exercise your right to vote; and
- (iii) any charges, fees or expenses payable to us under the Account.

17.14 Subject to clause 27.5, on termination or transfer of the Account any fees due to the date of termination or transfer will be payable by you. Where the date of termination or transfer is during, but not on the last day of, a charging period, then the fees will be applied pro rata for the number of days in that charging period up to the date of the termination or transfer, not including that date. We may deduct these fees from your Client Money or from the proceeds of sale of Shares on the basis set out in this clause 17 and we may do so a reasonable amount of time prior to the date of termination or transfer. In that case, the fees will only be applied pro rata for the number of days in that charging period up to the date of the deduction of the fees, not including that date, and we will not charge you for the period between the date of deduction and the date of termination or transfer.

17.15 We will normally deduct the pro rata fees calculated under clause 17.14 as a separate payment from previous quarterly payments. Alternatively, we may delay payment of the fees from the immediately preceding quarter and deduct, as set out in clause 17.14, as a single payment the cumulative amount of the fees for that preceding quarter and the pro rata amount for the charging period leading up to the date of termination or transfer. We will inform you in advance if we will be deducting the cumulative amount as a single payment.

18. Statements

18.1 We will send you a half-yearly statement and a valuation of your Account as at or near to 5 April and 5 October. This will be sent to you within five weeks of the relevant date. You have the right to request additional statements of your Account investments at any time subject to the charges stated in Clause 17.13 (i).

18.2 The statement will show Payment(s), sales, purchases (including switches between Funds and/or Share classes), conversions between Share classes, fees (including the Account Fee), Income, Interest, Corporate Action and withdrawals made since the commencement of your Account or the date of the previous statement, as appropriate.

18.3 The valuation will be based on the selling price of Shares but it will not include any measure of performance.

18.4 We will also send you an investment report that will provide a market summary and information on our other investment products.

18.5 If you have a SIF Plan, each year you will be sent a summary of all distributions received in respect of the SIF Plan. Any interest credited in the previous Tax Year will also be included. This will be sent within ten weeks after the end of the Tax Year.

18.6 Where an Account Fee has been taken from your Account, any initial payment from cash held as Client Money and subsequent payment from cash held as Client Money resulting from the sale of appropriate Shares, will be shown as separate transactions.

19. Voting and Fund Information

19.1 Subject to clause 17.13, if you ask us, we will arrange for you to:

- (i) receive copies of the annual and interim reports and accounts last issued in respect of a Fund; and
- (ii) receive a copy of the relevant prospectus or equivalent document; and
- (iii) attend meetings which holders of the Shares are entitled to attend; and
- (iv) exercise the voting rights in respect of Shares held; and
- (v) receive any other information issued in respect of a Fund to investors in addition to the documents in this clause 19.

19.2 If you ask for copies of the reports and accounts, short form versions will be issued as standard where available. A specific request must be made to our Administrative Office for long form versions.

19.3 Subject to the Rules we may exercise the voting rights applicable to your Shares unless you have exercised them yourself.

20. Income

20.1 Where available, you can choose to have Income paid out or invested, either on your Application Form at the time of opening your Account, or by notifying us in writing at any time afterwards.

20.2 If you choose to have Income paid out, you must give us details of your bank or building society account on your Application Form or by writing to us. If we cannot pay out Income, for example, if you have provided us with incorrect bank details or any cheques issued are returned, any Income will be added to the cash balance of your Account and may be used to pay the Account Fee in accordance with clause 17 and/or purchase further Shares. Where Shares are purchased they will be purchased proportional to the value of each Fund and class of Shares in your Account held at the time the purchase is undertaken.

20.3 Where you have chosen to have Income invested, we will use the Income in your Account to purchase further Shares in the Fund(s). The Income will be used to purchase Shares in the same class of Shares and the same Fund from which it was generated. If you no longer hold Shares in the class of Shares of the Fund from which the Income was generated, then the Income will be used to purchase further Shares proportional to the value of each Fund and class of Shares in your Account at the time the Income is invested.

20.4 If you have chosen to have Income paid out we will not make a payment to you unless the amount of Income and Interest is greater than £1.50. Income and Interest less than £1.50 will be retained in the relevant Account until further Income and Interest are added and the amount exceeds £1.50.

20.5 Such Income will normally be paid to you within four Business Days of being received into your Account. Where you have chosen to receive any Income quarterly, half-yearly or annually, such Income will be paid to you on the dates advised in the Key Features Document.

21. Termination

21.1 On termination, there may be some outstanding transactions. We will continue to operate your Account until they have been completed. Your Account will then be closed.

Termination by you

21.2 You may terminate your Account at any time by writing to our Administrative Office. Depending on your instructions we will: (i) sell all your Shares and pay you the value of your Account within five Business Days of receiving your instruction; and/or (ii) transfer the Account Investments to you without first selling the Shares within twenty five Business Days of receiving your instruction.

You can stipulate an alternative time period in which we will carry out your instructions provided such period is not less than that specified in clauses 21.2(i) and 21.2(ii).

Termination by us

21.3 We may terminate your Account immediately and close your Account in the following instances:

- (i) If you have seriously and/or persistently broken any of the Terms including where:
 - you are, or we reasonably suspect that you may be using or obtaining, or allowing someone else to use or obtain an account, service or money illegally; or
 - your Account is, or we reasonably suspect your Account is, being used for an illegal purpose; or
 - you are, or we reasonably suspect you may be, acting fraudulently; or
- (ii) in the circumstances set out in clause 26.1.6; or
- (iii) if we reasonably consider that by continuing our agreement with you:
 - we may break a law, regulation, code, court order or other duty; or
 - we, or an Associate, may be exposed to action or censure from any government, regulatory or law enforcement agency; or
- (iv) you were not entitled to open your Account or cease to be eligible for an Account as described in the Key Features Document; or
- (v) if we have reason to believe that your conduct will adversely affect the ability of others to trade or the terms on which they trade; or
- (vi) in the case of non-personal investors, if the corporate entity is declared insolvent. In practice we will follow the instructions of any administrator appointed in such a scenario.

We will inform you in writing immediately if we decide to close your Account under this clause 21.3.

21.4 We may also end our agreement with you and close your Account for any other valid reason by giving you at least 30 days' advance notice in writing.

21.5 If we terminate your Account, no additional charges will apply. Our letter of termination will tell you the options available to you which will include transferring your ISA to another ISA manager. However, if you close your ISA without transferring to another ISA manager the Account Investments will no longer be contained within an ISA and any associated tax benefits will be lost.

21.6 If your Account is to be closed under this clause 21 and we do not receive instructions from you within a reasonable time (which we will notify you of), we will sell any Shares within your Account and pay the value of the Account Investments out to you. If we are unable to contact you and your Account Investments remain unclaimed we may (on expiry of such period as may be specified in the Rules) pay away the relevant unclaimed sums in accordance with the Rules.

21.7 If your Account is closed any outstanding Account Fees applicable to the charging period in which your Account is closed will not be charged on your Account. All other outstanding charges on your Account will be deducted from your Account Investments before closure.

21.8 If we terminate your agreement and close your Account in the circumstances set out in clause 26.1.6, please be aware that, in some circumstances, we may also end or restrict the provision of any other services we provide to you or close any other accounts you have with us. In addition, other members of the HSBC Group may end their relationship with you and restrict or close accounts you hold with them or restrict or terminate the provision of any services to you (see clause 26).

Termination on Death

21.9 On your death:

(i) Sole investors – The Account will terminate on your death, however your personal representatives should provide proof of the date of your death and of their appointment. Once we receive such proof as is acceptable to us, we will deal with the Account Investments in accordance with the instructions of your personal representatives who will become subject to these Terms. Any tax refunds claimed on your behalf after you die will be repaid to HM Revenue & Customs.

(ii) Joint investors – If you have a joint SIF Plan, in the event of the death of one of the parties, and upon production of such proof of death as we may reasonably request, we will transfer the SIF Plan into the survivor's sole name subject to any rights which we or a third party may have. The Account will continue to be subject to these Terms.

22. SIF Plan- Re-registration of Shares into and out of your Account

22.1 If your Account is a SIF Plan, we can at your request arrange for Shares to be transferred into your Account without first being sold. We can only do this if your investments are in Funds within our range and your previous plan manager and/or the relevant Manager agrees.

22.2 It will normally take us up to a maximum of 30 days from the date we receive your Selected Investment Funds Plan Transfer Form (available by contacting us using the contact details at the beginning of these terms and conditions) to complete the transfer of your investments. However, the time period for completing this may depend on your previous plan manager or the relevant Manager and the time it takes them to send across the investments to us. There may be occasions where the transfer will take longer to complete due to other circumstances beyond our control.

22.3 Once your Shares have been re-registered into your Account, we will write to you to confirm the number of Shares that have been re-registered and the value of those Shares as at the date they were re-registered.

22.4 Where you ask us to do so, we can arrange for Shares to be transferred out of your Account and re-registered into your name or into the name of another nominee (plan manager). We can only do this if your new plan manager and/or the relevant Manager agree.

22.5 From the date we are in receipt of both your written instruction and confirmation of acceptance from your new plan manager and/or the Manager (as applicable), it will normally take up to 25 calendar days to transfer your Shares out of your Account.

There may be occasions where the transfer will take longer to complete due to other circumstances beyond our control.

22.6 If we subsequently receive any Income in respect of Shares which are no longer held within your Account and you remain entitled to that Income, we will pay that Income out to your new plan manager or the Manager. If your new plan manager or the Manager notifies us that they will not accept the payment, we will pay the relevant Income to you within five Business Days following notification by your plan manager or the Manager.

23. SIF ISA Transfers In

23.1 If your Account is a SIF ISA, you may transfer all or part of another ISA held with us or with another ISA manager into that Account. If you wish to transfer Subscriptions made in the current Tax Year then all Subscriptions made in the current Tax Year must be transferred.

23.2 In order to request an ISA transfer, you will need to complete a Selected Investment Funds ISA Transfer Form (available by contacting us using the contact details at the beginning of these terms and conditions) and return it to us by post. We will then contact the relevant ISA manager(s) on your behalf and arrange the transfer for you.

23.3 Payments from your previous ISA manager(s) will be invested in your SIF ISA in accordance with the instructions provided on the Selected Investment Funds ISA Transfer Form. Once we have received the initial Payment any subsequent monies received from the previous ISA manager(s) will be invested across the Fund(s) held in the relevant Account proportional to the value of each Fund and Share class in your Account at the time the monies are invested.

23.4 Alternatively, where requested to do so at the time you give your request to transfer in and if agreed with your previous ISA manager and each relevant Manager, we will also arrange for your Shares to be transferred into your SIF ISA without first being sold. We can only do this where the investments are in Funds in our range. If the Funds or classes of Shares you want to transfer are not available through the Account or your ISA manager or the Manager does not agree to re-register, we will instruct your ISA manager to sell your investments and transfer the value in cash. Please note that, we will not accept re-registrations of Legacy Share Class holdings into your SIF ISA. If we receive a request to re-register Legacy Share Class holdings into your SIF ISA we will instruct your ISA Manager to sell those holdings and transfer the value in cash. Alternatively, you may be able to agree with your ISA manager for your Legacy Share Classes to be converted to Clean Share Classes prior to re-registration.

23.5 It will normally take a maximum of 30 days to complete the transfer of your ISA into the SIF ISA, irrespective of whether the transfer is in cash, or Clean Share Classes. During this time your investment may be out of the market, which may move up or down resulting in a potential loss of growth and/or income.

However, the time period for completing your transfer request into your SIF ISA may depend on your previous ISA manager and the relevant Manager(s) and the time it takes them to re-register the investments. There may be occasions where the transfer will take longer to complete due to other circumstances beyond our control.

23.6 Once we have completed the transfer we will write to you to confirm the number of Shares that were purchased and/or re-registered into your Account, together with the share price and value as at the date the Shares were purchased and/or re-registered.

24. SIF ISA Transfers Out

24.1 If your Account is a SIF ISA, at your written request, we will transfer all or part of that Account (where appropriate with all rights and obligations of the parties to it) to another ISA manager, in accordance with the Regulations relating to transfers, provided the new ISA manager agrees to such a transfer. If your transfer request includes Subscriptions for the current Tax Year, these must be transferred in whole. If you transfer part of your SIF ISA to another ISA Manager any remaining amount held in any Fund in your SIF ISA must meet the minimum investment limits set out in the Key Features Document.

24.2 Where we are requested to transfer out the relevant value in cash, we will (where appropriate) sell the relevant Shares and transfer the cash value of your Account Investments to the ISA manager you have chosen.

24.3 Alternatively, if requested by you at the time you give your request to transfer, and if agreed with the new ISA manager and/or each relevant Manager, we will transfer the requested Shares directly to the new ISA manager without first being sold. Any cash we hold on your behalf as Client Money within your SIF ISA will also be transferred to the new ISA manager, subject to clause 24.6.

24.4 From the date we are in receipt of both your written instruction and confirmation of acceptance from your new ISA manager, it will normally take a maximum of 30 days to complete the transfer of your ISA out of the SIF ISA, irrespective of whether the transfer is in cash, or Clean Share Classes. During this time your investment may be out of the market, which may move up or down resulting in a potential loss of growth and/or income. There may be occasions where the transfer will take longer to complete due to other circumstances beyond our control.

24.5 Before we make a payment to you or transfer your SIF ISA, we shall be entitled to deduct from your Account an amount necessary to discharge all amounts in connection with your Account (including tax liabilities) which may be due from you to any person including us and HM Revenue & Customs.

24.6 If we subsequently receive any Income from Fund(s) transferred out, we will send it to your new ISA manager. If your new ISA manager refuses to accept the transfer of any cash we hold as Client Money on your behalf, we will pay it to you within five Business Days following receipt of the instruction from your new ISA manager.

24.7 Once we have completed the transfer we will write to you to confirm the number of Shares that were sold and/or re-registered out of your Account, together with the share price and value as at the date the Shares were sold and/or re-registered.

25. Withdrawal

25.1 You may withdraw all or part of your Account at any time. Following your instructions we will:

- (i) sell your Shares and pay you the amount of the withdrawal in accordance with clause 9; or
- (ii) transfer to you, your new plan manager(s) or new ISA manager(s) Shares to the value of the amount requested for withdrawal in accordance with clauses 22 and 24 (as applicable).

You can stipulate an alternative time period for the withdrawal, provided such period is not less than the relevant timescales quoted in clauses 9, 22 and 24 (as applicable).

25.2 When making a cash withdrawal, you must specify the Account, Fund(s) and class of Shares you wish the money to be withdrawn from otherwise we will not be able to carry out the sale transaction(s).

25.3 We have a minimum withdrawal amount and minimum balance requirement for each Fund. These are shown in the Key Features Document. If the minimum balance is not maintained when making a withdrawal from a Fund then we may require you to sell the remaining Shares in that Fund. The minimum balance is based on the selling price of the Shares at the time any withdrawal is made.

25.4 We can amend the minimum withdrawal amount and/or minimum balance requirement in accordance with clause 27.

25.5 As some Funds have different settlement periods this may mean that where you are making a cash withdrawal from more than one Fund, you may receive the proceeds as more than one payment. Further details about the settlement periods for each Fund can be found in the Fund Insert.

26. Your Information

Definitions

Capitalised terms used in this clause 26 shall have the following meanings;

Authorities includes any judicial, administrative, public or regulatory body, any government, any Tax Authority, securities or futures exchange, court, central bank or law enforcement body, or any of their agents with jurisdiction over any part of the HSBC Group.

Compliance Obligations means obligations of the HSBC Group to comply with: (a) Laws or international guidance and internal policies or procedures, (b) any demand from Authorities or reporting, disclosure or other obligations under Laws, and (c) Laws requiring us to verify the identity of our customers.

Connected Person means a person or entity (other than you) whose information (including Personal Data or Tax Information) you provide, or which is provided on your behalf, to any member of the HSBC Group or which is otherwise received by any member of the HSBC Group in connection with the provision of the Services. A Connected Person may include, but is not limited to, any guarantor, a director or officer of a company, partners or members of a partnership, any Substantial Owner, Controlling Person or beneficial owner, trustee, settlor or protector of a trust, account holder of a designated account, payee of a designated payment, your representative, agent or nominee, or any other persons or entities with whom you have a relationship that is relevant to your relationship with the HSBC Group.

Controlling Persons means individuals who exercise control over an entity. For a trust, these are the settlor, the trustees, the protector, the beneficiaries or class of beneficiaries, and anybody else who exercises ultimate effective control over the trust, and for entities other than a trust, these are persons in equivalent or similar positions of control.

Customer Information means your Personal Data, confidential information, and/or Tax Information or that of a Connected Person.

Financial Crime means money laundering, terrorist financing, bribery, corruption, tax evasion, fraud, evasion of economic or trade sanctions, and/or any acts or attempts to circumvent or violate any Laws relating to these matters.

Laws include any local or foreign law, regulation, judgment or court order, voluntary code, sanctions regime, agreement between any member of the HSBC Group and an Authority, or agreement or treaty between Authorities and applicable to us or a member of the HSBC Group.

Personal Data means any information relating to an individual, from which they can be identified.

Services includes (a) the opening, maintaining and closing of your bank, investment or other accounts, (b) providing you with credit facilities and other banking products and services (including, for example, investment dealing, discretionary investment management, broker, agency and custodian services), processing applications, credit and eligibility assessment, and (c) maintaining our overall relationship with you, including marketing services or products to you, market research, insurance, audit and administrative purposes. Services include all services provided to you in connection with your Account and these Terms.

Substantial Owners means any individuals entitled to more than 10% of the profits of or with an interest in more than 10% of an entity either directly or indirectly.

Tax Authorities means UK or foreign tax, revenue or monetary authorities (for example, HM Revenue & Customs).

Tax Certification Forms means any forms or other documentation which may be issued or required by a Tax Authority or by us from time to time to confirm your tax status or the tax status of a Connected Person.

Tax Information means documentation or information about your tax status and the tax status of any owner, Controlling Person, Substantial Owner or beneficial owner.

Reference to the singular includes the plural (and vice versa).

26.1 Collection, processing and sharing of customer information

This clause explains how we will use Customer Information. By using the Services, you agree that we and members of the HSBC Group may use Customer Information in accordance with such clauses.

Customer Information will not be disclosed to anyone other than where:

- we are legally required to disclose;
- we have a public duty to disclose;
- our, or a third party's, legitimate business purposes require disclosure;
- the disclosure is made with your consent; or
- it is disclosed as set out in this clause.

Collection

26.1.1 We and other members of the HSBC Group may collect, use and share Customer Information (including information about you, your transactions, your use of our products and services, and your relationships with the HSBC Group). Customer Information may be requested by us, by any member of the HSBC Group or by a third party on behalf of us or any member of the HSBC Group, and may be collected from you directly, from a person acting on your behalf or from other sources (including from publically available information), and it may be generated or combined with other information available to us or any member of the HSBC Group.

Processing

26.1.2 We will process, transfer and disclose Customer Information in connection with any of the following purposes (the "Purposes"):

- a. the provision of Services and to approve, manage, administer or effect any transactions that you request or authorise;
- b. meeting Compliance Obligations;
- c. conducting Financial Crime Risk Management Activity set out in clause 26.3 below;
- d. collecting any amounts due and outstanding from you;
- e. conducting credit checks and obtaining or providing credit references;
- f. enforcing or defending our rights, or those of a member of the HSBC Group;
- g. our internal operational requirements or those of any member of the HSBC Group (including credit and risk management, system or product development and planning, insurance, audit and administrative purposes);
- h. maintaining our overall relationship with you (including, if you agree, marketing or promoting financial services or related products, and market research); and/or
- i. verifying your identity.

Sharing

26.1.3 By using the Services, you agree that we may, as necessary and appropriate for the Purposes, transfer and disclose any Customer Information to the following recipients globally (who may also process, transfer and disclose such Customer Information for the Purposes):

- a. any member of the HSBC Group;
- b. any sub-contractors, agents, service providers, or associates of the HSBC Group (including their employees, directors and officers);

- c. any Authorities, in response to their requests, or where you have provided us with false or inaccurate information and Financial Crime is detected;
- d. persons acting on your behalf, payment recipients, beneficiaries, account nominees, intermediary, correspondent and agent banks, clearing houses, clearing or settlement systems, market counterparties, upstream withholding agents, swap or trade repositories, stock exchanges, companies in which you have an interest in securities (where such securities are held by us for you);
- e. any party to a transaction acquiring interest in, or assuming risk in, or in connection with, the Services;
- f. other financial institutions, fraud prevention organisations, trade associations, credit reference agencies or credit bureaus, and debt recovery agents;
- g. any third party fund manager who provides asset management services to you;
- h. any introducing broker to whom we provide introductions or referrals;
- i. any third party in connection with a transfer, disposal, merger or acquisition of business by us or any HSBC Group member; and
- j. selected third parties for marketing purposes where you have consented to marketing, wherever located, including in jurisdictions which do not have data protection laws providing the same level of protection as the jurisdiction in which the Services are supplied.

Your obligations

26.1.4 You agree to inform us promptly, and in any event, within 30 days, in writing if there are any changes to Customer Information supplied to us or a member of the HSBC Group from time to time, and to respond promptly to any request from us or a member of the HSBC Group.

26.1.5 You must ensure that every Connected Person whose information (including Personal Data or Tax Information) you (or anyone else on your behalf) provided or will from time to time provide to us or a member of the HSBC Group has been notified of and agreed to the processing, disclosure and transfer of their information as set out in these Terms before their information is provided. You must at the same time advise them that they have rights of access to, and correction of, their Personal Data.

26.1.6 Where:

- you fail to provide promptly Customer Information that we reasonably request, or
- you withhold or withdraw any consents that we may need to process, transfer or disclose Customer Information for the Purposes (except for purposes connected with marketing or promoting products and services to you), or
- we have, or a member of the HSBC Group has, suspicions regarding Financial Crime or an associated risk, we or any other member of the HSBC Group with which you have a relationship, may, where permitted by Laws:
 - a. be unable to provide new, or continue to provide all or part of any Services to you and may end the relationship with you;
 - b. take actions necessary for us or a member of the HSBC Group to meet the Compliance Obligations; and/or
 - c. block, transfer or close your account(s) you have with us or another member of the HSBC Group.

In addition, if you fail to supply promptly your, or a Connected Person's, Tax Information and accompanying statements, waivers and consents, as may be requested, then we may make our own judgment with respect to your status, including whether you are reportable to a Tax Authority, and we or other persons may withhold amounts where legally required by any Tax Authority and pay such amounts to the appropriate Tax Authority.

26.2 Data protection

26.2.1 You may be resident in countries where data protection laws don't provide the same level of protection as in the UK.

For example, tax reporting regulations may require us to report certain information about you (and/or about certain Connected Persons) to the tax authorities in the country in which your Account is maintained (eg, HM Revenue & Customs in the UK), which may transfer that information to tax authorities in countries where you or a Connected Person may be tax resident pursuant to international agreements to exchange financial account information.

However, whether it's processed in the UK or overseas, Customer Information will be protected by a strict code of secrecy and security applying to all members of the HSBC Group, their staff and third parties holding information on their behalf.

26.2.2 Under data protection legislation, individuals can make a written request for a copy of certain personal records we hold about them.

The current fee is £10.00 per request from each individual.

26.3 Financial Crime Risk Management Activity

26.3.1 We, and members of the HSBC Group, are required, and may take any action to meet Compliance Obligations relating to or in connection with the detection, investigation and prevention of Financial Crime ("Financial Crime Risk Management Activity").

Such action may include, but is not limited to: (a) screening, intercepting and investigating any instruction, communication, drawdown request, application for Services, or any payment sent to or by you, or on your behalf, (b) investigating the source of or intended recipient of funds (c) combining Customer Information with other related information in the possession of any member of the HSBC Group, and/or (d) making further enquiries as to the status of a person or entity, whether they are subject to a sanctions regime, or confirming their identity and status.

26.3.2 Exceptionally, our Financial Crime Risk Management Activity may lead to us delaying, blocking or refusing the making or clearing of any payment, the processing of your instructions or application for Services or the provision of all or part of the Services. To the extent permissible by law, neither we nor any other member of HSBC Group shall be responsible to you or any third party in respect of any loss (however it arose) that was suffered or incurred by you or a third party, caused in whole or in part in connection with the undertaking of Financial Crime Risk Management Activity.

26.4 Tax compliance

You acknowledge that you are solely responsible for understanding and complying with your tax obligations (including but not limited to, tax payment and filing of returns or other required documentation relating to the payment of all relevant taxes) in all jurisdictions in which those obligations arise and relating to the opening and use of account(s) and/or Services provided by us and/or members of the HSBC Group. Each Connected Person (acting in their capacity as a Connected Person and not in their personal capacity) also makes the same acknowledgement in their own regard. Certain countries may have tax legislation with extra-territorial effect regardless of your or Connected Person's place of domicile, residence, citizenship or incorporation. Neither we nor any member of the HSBC Group provide tax advice. You are advised to seek independent legal and/or tax advice. Neither we nor any member of the HSBC Group have responsibility in respect of your tax obligations in any jurisdiction in which they may arise including any that may relate specifically to the opening and use of account(s) and/or Services provided by us and/or members of the HSBC Group.

26.5 Website and email personalisation

When you use a computer or other device to access websites operated by or on behalf of the HSBC Group and associated third parties, information may be stored and accessed on that device:

- to improve your experience;
- to improve the functionality, security and performance of those websites;
- to provide you with promotional content; and/or
- to provide us with information about how those websites are used and how users arrive at those websites.

In the event that you receive emails sent by or on behalf of the HSBC Group, such emails may contain technologies to track for market research purposes whether you opened those emails and whether you accessed internet links contained within those emails. You agree to information being stored, accessed and used in this way.

Members of the HSBC Group may also exchange, analyse and use relevant information about you in the ways described above to ensure that promotional content displayed to you on screen when you use HSBC Group websites is more likely to be relevant and of interest. Further information is available on our cookie policy, and site terms and privacy statement at our website hsbc.co.uk.

26.6 Further information and marketing

26.6.1 To ensure that we carry out your instructions accurately, to help us to improve our service and in the interests of security, we may monitor and/or record your communications with us including telephone calls and conversations we have with you in our branches. In the interests of security and for preventing and investigating crime we may use closed-circuit television in and around our premises for the monitoring and collection of sound and/ or visual images. Any recordings remain our sole property.

26.6.2 We may make and retain copies of passports, driving licences or other identification evidence that you provide.

26.6.3 We will obtain your written consent before providing a banker's reference about you, however, if we receive a request from another financial services institution we will provide information required to verify your identity for money laundering prevention purposes.

26.6.4 If you change your mind at any time about receiving marketing information via post, telephone, email or any other method or about participating in market research, then please let us know.

26.7 Miscellaneous

26.7.1 Any consents, authorisations, waivers requested by us or any member of the HSBC Group and permissions that already exist from you in relation to Customer Information shall continue to apply in full-force and effect, to the extent permissible by applicable local law.

26.7.2 If all or any part of the provisions of these Terms become illegal, invalid or unenforceable in any respect under the law of any jurisdiction, that shall not affect or impair the legality, validity or enforceability of such provision in any other jurisdictions or the remainder of these Terms in that jurisdiction.

26.8 Survival on termination

This clause 26 shall continue to apply notwithstanding their termination, any termination by us or a member of the HSBC Group of the provision of any Services to you or the closure of any account, including the termination of this agreement.

27. Changing the Terms

27.1 We may amend these Terms (including introducing new charges or fees or making changes to the amount, rate of or basis on which we charge, including changes to the Account Fee), in the following ways:

- (i) if we reasonably consider that the change is favourable to you, by telling you about it within 30 days of the change;
- (ii) if the change is not favourable to you, by giving you at least 30 days' prior written notice before we make the change.

27.2 We may make any change to the Terms for all or any of the reasons set out in this clause 27 that apply.

- If the change is favourable to you.
- Following, or in anticipation of and to respond to a change in relevant law, regulation or to reflect a change in industry guidance or code of practice or good banking practice.
- To respond to the making of a recommendation, requirement or decision of any court, ombudsman, regulator or similar body.
- To respond to the costs or consequences of any event beyond our control that may impact our provision of accounts, services or facilities to you.
- To make the Terms clearer.
- To respond to any change in our systems and procedure, including any change arising from the reorganisation of our business as a result of it being acquired by or our acquiring another bank or organisation.
- To respond to changes or anticipated changes in costs associated with relevant technology, the costs we pay to others in respect of your Account, inflation and/or in our costs of providing accounts, services or facilities.
- To improve the service we provide.
- To respond to our internal policies on competitiveness, market share and/or the profitability of our business as a whole, where we are not acting dishonestly, for an improper purpose, in a manner which unreasonably discriminates against a particular customer or as an unreasonable financial institution would.

Other reasons for making a change

27.3 We may also make changes to the Terms (including introducing new charges or fees or changing the amount, rate of, or basis on which we charge, including changes to the Account Fee) for any other valid reason that applies and is not described in clauses 27.1 and 27.2 above. We will always give you at least 30 days prior written notice of any such change.

27.4 We will only make a change under clause 27.2 or 27.3 if the change is proportionate to the underlying reasons for the change and provided that, if we increase our charges (or introduce any new charges) we consider that any such change represents fair value for our service.

What you can do when we tell you about a change

27.5 You may close your Account in accordance with clause 21 within 30 days of the date of any advance notice of a change we send you or, if longer, up to the date the change is due to take effect. If you do not tell us that you want to close your Account by this time, then you will be deemed to have accepted such a change and the change will take effect automatically. There will be no charge for closing your Account and you will not be charged any Account Fee for the charging period in which we receive your notice of termination in accordance with this clause 27.5. If we deduct a pro rata Account Fee under clause 17.14 and you subsequently close your Account in accordance with this clause 27.5, we shall reimburse you for any such pro rata fee to give effect to the provisions of this clause 27.5.

28. General

28.1 We may decline to accept your instruction for the purchase or sale of Shares or delay acceptance of your instruction where we

- (i) reasonably believe that you are not eligible to hold Shares under the terms of the relevant Fund prospectus;
- (ii) reasonably consider that by accepting your instruction we may break a law, regulation, code, court order or other duty; or
- (iii) become aware or have reason to believe you are resident in or otherwise connected to a country into which we are not permitted to distribute or offer the Shares, provided that we will use reasonable endeavours to contact you personally unless we are not permitted to do so.

28.2 We will not be responsible to you for any loss you may suffer if we or an Associate are prevented from or delayed in complying with the Terms, carrying out your instructions to the extent the loss is caused by:

- (i) abnormal or unforeseen circumstances beyond our reasonable control, the consequences of which would have been unavoidable despite efforts to the contrary; and/or
- (ii) any obligations we have under applicable law and regulations. Nothing in these Terms is intended to exclude or limit our liability for personal injury, fraud, fraudulent misrepresentation or for any duty we may owe to you under the Rules.

We may occasionally allow you extra time to comply with your obligations or decide not to exercise some of our rights. However, we can still insist on the strict application of the Terms later on.

28.3 Nothing in these Terms will reduce your statutory rights relating to misdescribed products or services and the fairness of terms on which they are offered. For further information about your statutory rights contact your local authority Trading Standards Department or Citizens Advice Bureau. The services of the Citizens Advice Bureau may not be available to non-personal investors.

29. Governing Law

29.1 These Terms are governed by the laws of England and Wales. You and we submit to the non-exclusive jurisdiction of the courts in the jurisdiction in which you are habitually resident.

29.2 These Terms are in English and all communications we send to you will be in English.

30. Fraud Prevention

30.1 We may carry out certain checks on transactions on your Account as part of our fraud prevention measures. We may contact you by post, telephone (including mobile phone), email or mobile messaging to say there may be suspicious activity on your Account, or we may leave a message to ask that you call us. If we ask you, you must contact us as soon as possible. In respect of payments made through our telephone service, if you do not reply to us, we will assume you have not authorised the transaction and it will not proceed. This will not prevent you from later disputing you authorised the transaction.

30.2 We may, at any time, suspend your use of our telephone service if we have reasonable grounds which relate to the security of or the suspected unauthorised or fraudulent use of our telephone service. We will normally give you advance notice or contact you personally if we are going to suspend your use of our telephone service. We will tell you why we are taking this action but we will not give you notice or details of the reason for the suspension if this would compromise our reasonable security measures or if it is unlawful to do so. We may occasionally suspend your use of our telephone service without notifying you where we have been unable to contact you in advance. We may also suspend your use of our telephone service due to national or European legal obligations which apply to us.

General Information

Compensation

HSBC Trust Company (UK) Limited is covered by the Financial Services Compensation Scheme (FSCS). You may be eligible to compensation from the scheme if you have a valid claim against us in respect of investment business and we cannot meet our obligations. Most types of investment business are covered up to a maximum limit of £50,000 per person. For further information about the compensation provided by the FSCS (including the amounts covered and eligibility to claim) please refer to the FSCS website www.FSCS.org.uk or call the FSCS on 0207 741 4100. Please note only compensation related queries should be directed to the FSCS.

How to complain

If we do not deliver the standard of service you expect, or if you think we have made a mistake, please let us know. We will investigate the situation and, if necessary, set about putting matters right as quickly as possible. Where appropriate we will also take steps to prevent a recurrence. However, if the matter is not resolved to your satisfaction and you would like further information about our process for resolving complaints, please ask us for our explanatory leaflet 'Listening to Your Comments'. You may be able to refer your complaint to the Financial Ombudsman Service, Exchange Tower, London E14 9SR.

Telephone: 0800 0234 567 or 0300 1239123

Email: complaint.info@financial-ombudsman.org.uk www.financial-ombudsman.org.uk

The Financial Ombudsman Service will generally review complaints from retail customers. However, their criteria for reviewing complaints may mean that even if you have been categorised by a provider of products and services as a retail client they may not regard you as an eligible complainant.

To help us continually improve our service and in the interests of security we may monitor and/or record your telephone calls.

HSBC Trust Company (UK) Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority and is entered on the Financial Services Register as number 119297. You can check this on the Financial Services Register www.fca.org.uk. Our main business is the provision of trustee services and administering investments.

Past performance is no guarantee of future performance. Funds are investment products and involve risk. The value of your investments (and the level of Income you receive from them) can fall as well as rise and so you may not get back the amount you originally invested.

Annex 1

Best Execution Disclosure Statement

Purpose and scope

This Best Execution Disclosure Statement provides a summary of the steps we will take to achieve the Best Possible Result for purchases or sales of Shares under our Execution Policy on a consistent basis. We will not execute any orders for the sale or purchase of Shares ourselves. Orders received will be transmitted for execution to an Associate, HSBC Bank plc who will execute them on our behalf.

Execution of Transactions

Your instructions for the purchase or sale of Shares will be executed within the time periods specified in the Terms or, where applicable, at such time as you instruct. The share price for all purchases and sales of Shares will be determined at the next valuation point following the receipt of our instructions by the relevant Manager.

Execution Venue

All instructions for the purchase or sale of Shares will be executed with the Manager, which will be the execution venue for the purposes of the Rules. Shares in Funds cannot be traded on a regulated market eg, The London Stock Exchange.

Effective date, review, amendments and monitoring

This Best Execution Disclosure Statement will be reviewed annually. We may amend this Best Execution Disclosure Statement as necessary and where a material change has occurred, we will inform you in writing. We will also regularly monitor our effectiveness in achieving the Best Possible Result for purchases or sales of Shares, including the effectiveness of our chosen broker, HSBC Bank plc.

Annex 2

HSBC Policy on Conflicts of Interest

'HSBC Group' means HSBC Holdings plc and its subsidiaries, associated and affiliated companies. The HSBC Group is a global organisation, which provides a wide range of financial services. As such, it, or a company with whom it has an association ('HSBC'), may from time to time have interests which conflict with its clients' interests or with the duties that it owes to its clients.

These include conflicts arising between the interests of HSBC, its associates and employees on the one hand and the interests of its clients on the other and also conflicts between clients themselves.

HSBC has established procedures, which are designed to identify and manage such conflicts. These include organisational and administrative arrangements to safeguard the interests of clients.

A key element of this policy is that persons engaged in different business activities involving a conflict of interest must carry on those activities independently of one another.

Where necessary, HSBC maintains arrangements which restrict the flow of information to certain employees in order to protect its clients' interests and to prevent improper access to client information.

HSBC may also deal as Principal for its own investment account and may be matching transactions with another client. Procedures are in place in order to protect the client's interest in this instance.

In some cases, HSBC's procedures and controls may not be sufficient to ensure that a potential conflict of interest does not damage a client's interests. In these circumstances, HSBC may consider it appropriate to disclose the potential conflict to the client and obtain the client's formal consent to proceed. However, HSBC may decline to act in any circumstance where there is residual risk of damage to the interests of any client.

You may have further questions which relate to the underlying procedures within HSBC. In such cases you should contact us.

Accessibility

To find out more about our accessible services please visit www.hsbc.co.uk/accessibility or ask at any of our branches.

If you'd like this document in another format such as large print, Braille or audio, please contact us on 03457 404 404.

A textphone service is available for customers with hearing and/or speech impairment(s) on 03457 125 563 (+44 2070882077 from overseas). BSL Video Relay Service is also available (Monday-Friday, 8am-6pm, excluding Bank and Public Holidays) at www.hsbc.co.uk/accessibility.

hsbc.co.uk

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