

# Share Dealing

Terms & conditions

Effective from 1st April 2021





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# Halifax Share Dealing Service.

## 1. These terms and conditions and the agreement between us

- 1.1 These **terms and conditions** set out terms which apply to the Halifax Share Dealing Service.
- 1.2 These **terms and conditions**, together with the current Halifax Share Dealing **brochure** and any other information or documents we give to you such as your **application** and any **charging schedule** govern the legal **agreement** between you and us and set out your and our rights and duties in relation to the **service**. By making an **application** and using the **service**, you acknowledge the creation of this contractual relationship which has legal consequences.
- 1.3 You should read these **terms and conditions**, the **brochure** and any other information or document we give to you, together with our **Order Execution Policy** and our summary **Conflicts of Interest Policy**, carefully to understand how the **service** will operate before making an **application** and using the **service**.
- 1.4 You can ask us for a copy of any of these documents at any time. If there is anything that you do not understand, you should contact us. Please contact us on our Web Chat facility or telephone us using the details on the last page of these **terms and conditions**.
- 1.5 These **terms and conditions** are split into sections to make them easier to read. Conditions 1-17 will apply to every type of **account**. In addition:
  - Condition 18 will apply to any **account(s)** that use a **TradePlan**;
  - Condition 19 will apply to any **account(s)** that use a **regular investment** or that are funded by a **regular subscription**;
  - Condition 20 will apply to any **account(s)** with a dividend reinvestment plan (“**DRIP**”); and
  - Condition 21 will apply to any **account(s)** which are **ISAs**.
- 1.6 Throughout these **terms and conditions**, the words in bold have the meanings given to them in Condition 3.
- 1.7 We also use the words:
  - “we”, “us” and “our” to mean **Halifax Share Dealing Limited**, the provider of the **service** (and **ISA manager**, if applicable); and
  - “you” and “your” to mean the person(s) who have made an **application** and are registered to use the **service**.

## 2. About us

- 2.1 The **service** is provided by Halifax Share Dealing Limited. Halifax Share Dealing Limited is authorised and regulated by the Financial Conduct Authority. Its registration number is 183332.
- 2.2 The **Financial Conduct Authority** (“**FCA**”) maintains a register of all businesses that it regulates at [www.fca.org.uk/firms/financial-services-register](http://www.fca.org.uk/firms/financial-services-register)

### 3. Definitions

In these **terms and conditions**, the following words and phrases in bold type have the special meanings given below:

|   |   |
|---|---|
| <b>Account</b>                              | Your Halifax Share Dealing account (which may or may not be a Halifax stocks and shares <b>ISA</b> );   |
| <b>Additional Permitted Subscription</b>    | Your additional permitted subscription will be equal to the total value of the cash and/or <b>investments</b> in your spouse's or civil partner's <b>ISAs</b> on the date of their death.   |
| <b>Agreement</b>                            | The legal agreement between you and us in relation to your <b>account</b> and the <b>service</b> , as set out in these <b>terms and conditions</b> , the <b>brochure</b> and any other document or information stated to form part of this agreement, such as any <b>application</b> and relevant <b>charging schedule</b> ;  |
| <b>Application</b>                          | Your application to us to use the <b>service</b> ;  |
| <b>Approved bank(s)</b>                     | A bank or other financial institution, from time to time nominated by us, where we may deposit <b>client money</b> in accordance with the <b>client money rules</b> ;   |
| <b>Assets</b>                               | The portfolio of <b>investments</b> and uninvested cash held in your <b>account</b> and in respect of which we provide the <b>service</b> ;   |
| <b>Available funds</b>                      | Money in your <b>account</b> which has <b>settled</b> or cleared and which has not been allocated to a purchase of <b>investments</b> , and which is therefore available for you to withdraw as described at Condition 7;   |
| <b>Brochure</b>                             | The current version of the Halifax Share Dealing <b>brochure</b> which we have provided to you and as published on our <b>website</b> at <a href="http://www.halifax.co.uk/investing/help-and-guidance/important-information">www.halifax.co.uk/investing/help-and-guidance/important-information</a> and available from us on request;                             |
| <b>Certificated shares</b>                  | Shares evidenced by a paper certificate;  |
| <b>Charging schedule</b>                    | Any charging schedule that we have provided to you and which is published on our website at <a href="http://www.halifax.co.uk/investing/start-investing/share-dealing-services/charges">www.halifax.co.uk/investing/start-investing/share-dealing-services/charges</a> setting out the <b>costs and charges</b> applicable to the service or a part of the service; |
| <b>Client money</b>                         | Money that we receive or hold for you or on your behalf, in accordance with the <b>client money rules</b> , in the course of, or in connection with, the <b>service</b> , other than money which is due and payable by you to us or a third party;  |
| <b>Client money rules</b>                   | Means the <b>FCA's regulatory requirements</b> that concern the holding of <b>client money</b> ;  |
| <b>Complex Instrument</b>                   | A financial instrument which is not a non-complex instrument, as defined in the <b>FCA Rules</b> ;  |
| <b>Conflicts of Interest Policy</b>         | Our policy on the management of conflicts of interest. It describes the steps we take to identify and manage conflicts that may arise. A summary of our <b>Conflict of Interest Policy</b> has been provided to you;  |
| <b>Consolidated Tax Certificate ("CTC")</b> | A certificate detailing the amount of any dividend payments received in the preceding <b>tax year</b> ;   |
| <b>Corporate action</b>                     | A rights issue, take-over, merger, capital reorganisation, conversion, subscription rights or similar event affecting any of your <b>investments</b> ;  |
| <b>Costs and Charges</b>                    | Our <b>costs and charges</b> , as generally described in Condition 13, and set out in the <b>brochure</b> and any <b>charging schedule</b> ;  |
| <b>Deal</b>                                 | The purchase of, sale of, or subscription for specified <b>investments</b> by you;  |
| <b>Dealing charges</b>                      | Our dealing charges, as generally described in Condition 13, and set out in the <b>brochure</b> and any <b>charging schedule</b> ;  |
| <b>Dealing day</b>                          | The date on which we begin to execute a <b>deal</b> ;   |

|   |   |
|---|---|
| <b>Dealing period</b>                           | The <b>period</b> during which a <b>deal</b> can take place on the relevant <b>market</b> .<br>For <b>UK markets</b> the dealing period is 8.00 a.m. to 4.30 p.m. on each <b>working day</b> , but this may change from time to time. For <b>markets</b> outside the UK the dealing period will follow the opening hours of the relevant <b>market</b> . Details of the international exchanges' dealing hours can be found on our <b>website</b> . Unit Trusts and Open Ended Investment Companies ("OEICs") are priced on each <b>working day</b> at an Assured Valuation Point ("AVP"). Further details are explained in our <b>Order Execution Policy</b> ; |
| <b>Delivery versus payment transaction</b>      | A <b>deal</b> where delivery of <b>investments</b> and payment of cash to effect <b>settlement</b> are intended to occur at the same time or within one <b>working day</b> of each other.   |
| <b>Dividend Reinvestment Plan ("DRIP")</b>      | A feature of the <b>service</b> allowing you to automatically use cash dividends on your eligible <b>investments</b> to buy more of the same <b>investments</b> ;   |
| <b>FCA</b>                                      | The Financial Conduct Authority;  |
| <b>FCA Rules</b>                                | The rules of the Financial Conduct Authority (or its successor) in the United Kingdom;  |
| <b>FSCS</b>                                     | UK Financial Services Compensation Scheme;  |
| <b>Halifax Variable Mortgage Base Rate</b>      | The variable mortgage base rate of the Halifax division of Bank of Scotland plc as published on its <b>website</b> at <a href="http://www.halifax.co.uk">www.halifax.co.uk</a> from time to time;   |
| <b>Income</b>                                   | Money received in the form of dividends or distributions in relation to <b>investments</b> held in your <b>account</b> , or interest on <b>client money</b> we hold for you;  |
| <b>Investment plan</b>                          | The timetable for your <b>scheduled investments</b> , as described in Condition 19.4;   |
| <b>Investments</b>                              | Investments (excluding cash which we hold for you) in which we can <b>deal</b> and/or hold for you, as set out on our <b>website</b> ;  |
| <b>ISA</b>                                      | A Halifax Stocks and Shares Individual Savings Account;   |
| <b>ISA manager</b>                              | Us, Halifax Share Dealing Limited in our capacity as an <b>ISA</b> manager approved by HM Revenue & Customs;  |
| <b>ISA regulations</b>                          | The Individual Savings Account Regulations 1998, as amended and re-enacted from time to time and any other <b>regulatory requirements</b> applicable to your <b>ISA</b> ;   |
| <b>Lloyds Banking Group</b>                     | The group of companies which has Lloyds Banking Group plc as its parent company. This includes us and a number of other companies using brands including Lloyds Bank, Halifax and Bank of Scotland plc. More information on the Lloyds Banking Group can be found at <a href="http://lloydsbankinggroup.com">lloydsbankinggroup.com</a> ;   |
| <b>Market(s)</b>                                | The financial market on which <b>investments</b> can be bought or sold. This includes both regulated markets, such as the London Stock Exchange plc; <b>Multilateral Trading Facilities (MTFs)</b> , which bring together buyers and sellers of securities and <b>investments</b> (including Retail Service Providers and Market Makers); and investment firms who <b>deal</b> outside regulated markets or <b>MTFs</b> . It also includes Fund Managers;   |
| <b>Market information</b>                       | Includes securities prices, quotations, news (both financial and non-financial), company information and other information provided via our <b>online service</b> or by other <b>market</b> data providers;   |
| <b>Multilateral Trading Facilities ("MTFs")</b> | Non-exchange based trading systems which accommodate <b>deals</b> between multiple parties;   |
| <b>Nominated bank account</b>                   | Your personal bank, building society or savings account, registered in the UK, Jersey, Guernsey or the Isle of Man, that you have nominated for the purposes of funding your <b>account</b> ;   |
| <b>Nominee company</b>                          | A non-trading nominee company controlled by us, or any other nominee (including third parties appointed by us) from time to time;   |

|                                       |  |
|---------------------------------------|--|
| <b>Online service</b>                 | The <b>service</b> we provide in accordance with this <b>agreement</b> as described at Condition 6 and which can be accessed through an internet or mobile internet connection at <a href="http://www.halifax.co.uk/investing">www.halifax.co.uk/investing</a> or any other internet address which we may notify to you;   |
| <b>Order</b>                          | An instruction from you asking us to execute a <b>deal</b> on your behalf;   |
| <b>Order Execution Policy (“OEP”)</b> | Our policy which sets out the arrangements that we have put in place to ensure that we meet our “best execution” obligations;  |
| <b>Regulatory requirements</b>        | (a) Any obligation that applies under any law or regulation (including any tax legislation or rules made by an applicable regulatory body), or as the result of a decision by a court, ombudsman or similar body; or<br>(b) any obligation under any industry guidance or codes of practice which we follow; or<br>(c) any other legal or regulatory requirement, which, in each case, is applicable to this <b>agreement</b> and/or our provision of the <b>service</b> to you; |
| <b>Regular investments</b>            | A feature of the <b>service</b> where you can make <b>scheduled investments</b> as described in Condition 19;  |
| <b>Regular subscriptions</b>          | A feature of the <b>service</b> where you can make <b>scheduled subscriptions</b> as described in Condition 19;  |
| <b>SAVE</b>                           | Save As You Earn option scheme;  |
| <b>Scheduled investment</b>           | An <b>order</b> to purchase a pre-determined value of <b>investments</b> on one or a series of defined days, as described in Condition 19.4;   |
| <b>Scheduled subscription</b>         | A subscription payment collected by us from your <b>nominated bank account</b> according to the schedule agreed by you and us through the <b>online service</b> or the <b>telephone service</b> , as described in Condition 19.2;  |
| <b>Security details</b>               | Any password, personal identification number, or other confidential security information required in order to access your <b>account</b> and/or give <b>orders</b> via the <b>telephone service</b> and/or the <b>online service</b> ;   |
| <b>Service</b>                        | The Halifax Share Dealing Service, including the provision and administration of your <b>account</b> and the <b>telephone service</b> and/or the <b>online service</b> as applicable;  |
| <b>Settlement</b>                     | In relation to a <b>deal</b> , the delivery of the relevant <b>investments</b> to the buyer by the seller and delivery of the purchase price by the buyer to the seller;   |
| <b>Settlement date</b>                | The date on which the buyer and seller in relation to a <b>deal</b> are required to settle that <b>deal</b> ;  |
| <b>Subscription plan</b>              | The timetable for your <b>scheduled subscriptions</b> , as described in Condition 19.2;  |
| <b>Tax year</b>                       | Each 12 month period from 6th April of one calendar year to 5th April of the next calendar year;   |
| <b>Telephone service</b>              | The <b>service</b> we provide in accordance with this <b>agreement</b> as set out in Condition 6 and which can be accessed by telephone by calling <b>03457 22 55 25</b> or any other telephone number which we may notify to you;   |
| <b>Tradable Funds</b>                 | Money in your <b>account</b> which is available for you to <b>deal</b> as described at Condition 7.2. This includes <b>available funds</b> and sale proceeds in relation to a sale of an investment which has not yet <b>settled</b> ;   |
| <b>Trade confirmation</b>             | A written record, giving the details of a <b>deal</b> , including all <b>costs and charges</b> applicable to that <b>deal</b> and the total amount payable by or to you in <b>settlement</b> of that <b>deal</b> ;   |



|                         |   |
|-------------------------|---|
| <b>TradePlan</b>        | A feature of the <b>service</b> where you can give us <b>TradePlan Orders</b> ;   |
| <b>TradePlan Orders</b> | A collective name for <b>target setting, range trading, price locking, stop loss orders</b> and <b>limit orders</b> as described in Condition 18;                   |
| <b>Website</b>          | Our <b>website</b> at <a href="http://www.halifaxshared dealing.co.uk">www.halifaxshared dealing.co.uk</a> or any other address we notify to you from time to time. |
| <b>Working day</b>      | Any day other than a Saturday, Sunday or English bank holiday.  |

## 4. The service and your account

4.1 You can use the **service** to make **deals** in certain types of **investments**. You can do this by placing **orders** to **deal** through our **online service** or by using the **telephone service**.

4.2 Once we have accepted your **application**, we will open an **account** for you. Your **account** will hold the **assets** (that is, your **investments** and **client money** in relation to which we provide the **service**).

4.3 For the purposes of the **regulatory requirements**, we will treat you as a retail client in relation to this **agreement**. Categorisation as a retail client affords you the highest degree of consumer protection under the **regulatory requirements**. However, this does not necessarily mean that you will automatically be eligible to bring a claim under either any investor compensation scheme or ombudsman service.

### Execution only service

4.4 The **service** is an execution only **service**. This means that we will execute your **orders** in accordance with this **agreement**, and we will not provide you with investment advice or discretionary management in relation to your **assets**. Any investment decisions will be your own. We are not required to assess the appropriateness or suitability of our **service** for you and the protection accorded by the **FCA Rules** on assessing appropriateness or suitability does not apply to this **service**. However, we will assess appropriateness if you wish to purchase a **complex instrument**.

4.5 If you are in any doubt about using the **service** and making your own investment decisions, we recommend that you seek advice from a suitably qualified financial adviser.

4.6 We will not provide you with legal, tax or other advice in connection with your **account** or any types of **investments**.

4.7 There are some circumstances where investing in or receiving returns on **investments** in certain companies (or funds which include **investments** in certain companies) may be an offence under UK anti-money laundering legislation if the company's activities abroad were illegal if carried out in the UK. You should ensure you carry out careful due diligence on these types of **investments** before investing.

### Investment risks

4.8 There are risks involved in the use of the **service**, including investment risk caused by the fact that the value of your **investments** will change over

time. You should read 'Understanding Risk' which you will find at [www.halifax.co.uk/investing/understanding-investing/risk-explained](http://www.halifax.co.uk/investing/understanding-investing/risk-explained) and 'How Safe Are My Assets' which you will find at [www.halifax.co.uk/investing/help-and-guidance/important-information](http://www.halifax.co.uk/investing/help-and-guidance/important-information). The value of your **investments** and the level of any **income** from them can go down as well as up. You may not get back the full amount you have invested. You should also remember that past performance of **investments** is not an indication of how those **investments** might perform in the future.

4.9 There is an extra risk of losing money when shares are bought in some smaller companies, including penny shares. There may be a big difference between the buying price and the selling price of these shares. If they have to be sold immediately, you may get back much less than you have paid for them. The price may change quickly and it may go down as well as up.

4.10 Certain **investments** may not be readily realisable. You may have difficulty selling these **investments** at a reasonable price and in some circumstances it may be difficult to sell them at any price. Any **investments** should be carefully thought about, and you should consider whether you can afford them and whether they are right for you. In some circumstances, we may, be unable to offer to trade a specific equity or asset.

4.11 Where you invest in overseas **investments**, there may be different **settlement, legal and regulatory requirements** to those applying in the UK and also different practices for the separate identification of those **investments**.

4.12 Foreign **markets** will involve different risks from UK **markets** and in some cases the risks will be greater. On request, we will provide you with an explanation of the relevant risks which will operate in any foreign **markets**. The potential for profit or loss from transactions on foreign **markets** or in foreign denominated contracts will also be affected by fluctuations in foreign exchange rates.

4.13 We may **deal** for you in **investments** that may have been the subject of "Stabilisation". Stabilisation is a process that supports the price of newly issued **investments**. It can make the **market** price of the newly issued **investments** temporarily higher than it would otherwise be. It may also affect the **market** price of **investments** of the same class already in issue and of other **investments** whose price affects the price of the newly issued **investments**. It is undertaken to ensure that:

- (a) newly issued **investments** are introduced to the **market** in an orderly fashion; and

- (b) the issue price and/or price of associated **investments** is not artificially depressed because of the increase in supply caused by the new issue. It may only take place for a limited period. There are limits on the price at which shares and warrants may be stabilised.
- 4.14 Some products are defined as complex. These types of product carry additional risks to non-complex **investments** such as shares and funds. You should not **deal** in these products unless you understand the nature and extent of your exposure to them. In some cases this category of investment may not be offered to some customers without undertaking further enquiries.
- 4.15 We will provide you with additional risk warnings which are relevant to the **service**, and it is important that you read these and have understood them before you invest. You can access these risk warnings at [www.halifax.co.uk/sharedealing-risks](http://www.halifax.co.uk/sharedealing-risks) If you are unsure about what the risks of the **service** are or what they might mean for you, you should contact a suitably qualified financial adviser.
- Cancellation**
- 4.16 You have the right to cancel the **agreement** within 30 days of us confirming to you that we have opened your **account** and that it is available for you to use, or of us providing you with the relevant terms, whichever is the later ("the cancellation period"). You also have the right to cancel a transfer of an **ISA** from another **ISA manager** within 30 days of the transfer.
- 4.17 If you wish to cancel, you must contact us within 30 Days. You will have no further obligations in relation to the **service** and you will not be charged any fee for cancelling. However, you agree that we may start providing the **service** to you before the end of the cancellation period, in which case we may make a pro-rata charge for the **service** provided to you up to cancellation.
- 4.18 If you cancel, we will return to you the cash in your **account** at the next **dealing period** after we receive your cancellation request. If you have purchased **investments** during the cancellation period, we will sell those **investments** and send you the sales proceeds after the **settlement date**. The cash that you receive may be less than you transferred to us if we have carried out **deals** on your behalf or if the value of your **investments** has fallen during the cancellation period, and you will bear that **market** risk. You will also bear the costs associated with **deals** which we have carried out for you, such as dealing charges and stamp duty.
- 4.19 If you have transferred **investments** to us during the cancellation period, we will not be able to return these to you until you provide us with instructions as to how you want us to transfer them to you or to another provider. This does not affect your right to cancel this **agreement**, but there may be a delay in returning your **investments** if we do not receive your instructions with your cancellation notice. If the value of your **investments** falls during that period, you will bear that

**market** risk. You will also bear the costs associated with **deals** which we have carried out for you, such as dealing charges and stamp duty.

- 4.20 If you do not exercise the right to cancel, the **agreement** will remain in effect until terminated under its terms.

## 5. Opening an account

### Eligibility

- 5.1 To be eligible for an **account** you must be:
- (a) an individual;
  - (b) 18 years of age or over; and
  - (c) either:
    - (i) resident in the UK, or (unless your **account** is an **ISA**) Jersey, Guernsey or the Isle of Man; or
    - (ii) performing duties as a crown employee serving overseas and paid out of the public revenue of the United Kingdom (typically a serving member of the armed forces) or be married to, or in a civil partnership with, a person performing such duties.
  - (d) not a U.S. person, a U.S. citizen or resident in the U.S. for tax purposes by any other means.
  - (e) not a resident of Canada.
- 5.2 We will not knowingly accept instructions from a corporate body, investment club or trust, except to the extent that it is necessary to enable you to close or transfer your **account**.
- 5.3 You may apply for more than one **account**, for example for one **ISA** and another **account** that is not an **ISA**. In this case, the word "**account**" means each of those **accounts** and this **agreement** applies to each **account**.
- Applying for an account**
- 5.4 In order to open an **account** you must complete an **application** and provide us with such information as we reasonably request to enable us to open your **account** and provide you with the **service**. This may include evidence of your identity, and any authorised persons, in line with **regulatory requirements** to prevent money laundering, fraud and **market** abuse. If you do not provide us with this information, we may delay or refuse to accept your **application** for an **account**.
- 5.5 You must provide details of a **nominated bank account** in your name or which you hold jointly with someone else that will be used to fund and receive amounts from your **account** in line with this **agreement**. Your **nominated bank account** may also be used to collect **costs and charges**. If you have more than one **account** with us, we may use the same **nominated bank account** for each. All payments to or from your **nominated bank account** will be in Pounds Sterling.
- 5.6 In order to validate your debit card, we will request but not take £1 from your **nominated bank account**: this will be made available again as soon as your debit card has been authorised.
- Transferring investments into your account**
- 5.7 If you ask us to, we may accept a transfer of eligible **investments** direct from another provider. However, if

you hold **investments** in the form of a certificate, you will need to apply for them to be transferred into your **account**.

#### **Authorised persons and joint accounts**

- 5.8 We will accept **orders** and instructions in relation to your **account** from you and from a person who has a legal right to give us instructions (for example, your trustee if you are made bankrupt, your personal representative, or a person with a legally enforceable power of attorney granted by you). We may not be able to provide online access to or accept online instruction(s) from anyone other than the main **account** holder(s).
- 5.9 We may also agree to accept instructions from a person whom you have authorised us in writing to accept instructions from and where that person has accepted such authority. We may not be able to provide online access to or accept online instruction(s) from anyone other than the main **account** holder(s).
- 5.10 If your **account** is held jointly with another person or persons:
- (a) each of you is individually and jointly liable for money owed to us and we have the right to demand repayment from all or any of you for all or part of such money;
  - (b) any of you can give instructions or receive notices on behalf of the others and access information provided by the **online service**;
  - (c) any of you may give us an effective and final discharge in respect of any of our obligations under this **agreement**;
  - (d) if any of you die, this **agreement** will continue and we may treat the survivor or survivors as the only party or parties to this **agreement** as entitled to the **assets**; and
  - (e) we may contact and otherwise **deal** only with the **account** holder named first in our records, subject to any **regulatory requirements** or unless you request otherwise.

#### **Your obligations**

- 5.11 At all times during the course of this **agreement** you must:
- (a) tell us as soon as possible if you no longer meet the eligibility requirements set out at Condition 5.1 or, if your **account** is an **ISA**, those set out at Condition 21.3;
  - (b) promptly provide us with any information that we reasonably request in order to provide the **service** to you in line with **regulatory requirements**;
  - (c) provide us with details of a **nominated bank account** in your name and ensure that your **nominated bank account** continues to be able to make and receive payments to and from us;
  - (d) as set out in Condition 6, keep your **security details** secret at all times and not disclose them to anyone, take all reasonable care to prevent unauthorised or fraudulent use of your **security details** by others, and contact us as soon as possible if you know or suspect that someone knows your **security details** or is impersonating you;

- (e) tell us whenever your contact details change, including your email address, because we will use the most recent contact details on our records whenever we send you correspondence;
  - (f) tell us as soon as possible of any material change to the information you have given us as this may affect the **service** we provide;
  - (g) own and have the right to **deal** in the **assets** in your **account** and ensure that no other person has any rights or interests in those **assets** that prevents you from dealing in them in line with this **agreement**;
  - (h) check any confirmation of transactions or statements that we send you when you receive it and contact us without undue delay if you think it is inconsistent with your instructions or where there is any inaccuracy; and
  - (i) otherwise comply with the terms of this **agreement** and the law.
- 5.12 If you do not comply with these obligations, this may affect the way we can provide the **service** to you and we may:
- (a) refuse to open an **account** for you or accept your **assets**;
  - (b) apply a restriction to your **account** preventing all trading activity;
  - (c) refuse to make payments or transfer **investments** from your **account**;
  - (d) close your **account**; and/or
  - (e) take any other responsible step necessary to comply with **regulatory requirements**.
- 5.13 If you **deal** or hold U.S. listed **investments** we may require you to complete certain documents in order to satisfy U.S. tax authority requirements. If you do not provide the appropriate documents within the appropriate deadline, which will not be set unreasonably, or we are not satisfied that they have been fully and accurately completed, we may:
- (a) refuse to buy or subscribe for U.S. **investments**;
  - (b) apply a higher rate of withholding tax to any U.S. sourced **income**; and/or
  - (c) sell any U.S. **investments** you hold.
- 5.14 If you wish to buy U.S. listed shares that may pay U.S. sourced **income**, such as dividends, we require you to complete certain documents in order to satisfy U.S. tax authority requirements. Once we have these documents we can apply a reduced withholding tax rate instead of the usual rate applied to your U.S. sourced **income**, depending on your circumstances. For details of the prevailing withholding tax rates see our **website**. For UK listed shares paying U.S. sourced **income**, no reduced withholding tax rate is applied even if you have certain documents in place. The document is valid for three calendar years following the year in which you sign it, unless your personal circumstances change. You must let us know within 30 days if this happens. We may contact you when your form is due to expire.

## 6. Using the service

### How to access the service

6.1 Except as otherwise set out in this **agreement** you can access your **account** and use the **service** either online through our **online service** or over the telephone using our **telephone service**. If you use the **online service** you must select which of your **accounts** you wish to transact on, if you have more than one **account**.

### Your account security and security details

- 6.2 When we open an **account** for you, we will send you **security details** so that you can access your **account** using the **online service** and/or the **telephone service**.
- 6.3 We will not accept any instructions or subscriptions from you unless you satisfy our security verification procedures by using your **security details** when using the **online service** or the **telephone service**. We may require you to provide one or more of your other **security details** and/or enter your password or give us your PIN before we accept instructions about your **account**.
- 6.4 For administration or security reasons, we can require you to use new **security details** before you use (or carry on using) our **online service** or **telephone service**.
- 6.5 When you use our **online service** or **telephone service** you must follow any reasonable instructions that we give you from time to time.
- 6.6 If any of your **accounts** is a joint **account**, and more than one of you uses our **online service** or **telephone service**, you must each use your own **security details** and not those of any other **account** holder.
- 6.7 You must not let anyone else know your **security details** or the fact that they are for use with your **account** and you must use reasonable care to keep your **security details** secure.
- 6.8 If you think that someone else knows your password or any of your additional **security details** or has used any of them to use our **online service** or **telephone service**, you must:
- (a) tell us and change your **security details** as soon as you can by phoning the Helpdesk on **03457 22 55 25**; and
  - (b) in relation to your password for the **online service**, change it online as soon as possible. If you have difficulty changing your password the Helpdesk will be able to assist you.
- 6.9 We may give the police or any other relevant authority any information they need if we think that it will help them find out if someone else is using your **security details**.
- 6.10 We may stop your use of our **service** if we reasonably believe that:
- (a) your identity details are being used by someone else or we are otherwise concerned about the security of your **account**;
  - (b) we suspect your **account** is being used in breach of this **agreement** or in an unauthorised or fraudulent manner; or

(c) you are not complying with your obligations under this **agreement**.

6.11 Where we stop your use of the **service** under Condition 6.10 we will, if practical, notify you immediately before or, where we cannot notify you immediately before, after stopping the use of the **service**. We will inform you of our reasons for doing so unless it is unlawful for us to do so or it would compromise our reasonable security measures.

### Unauthorised use of your account

6.12 Provided that you have complied with this Condition 6, we will reimburse you for the losses that you suffer as a result of your **security details** being used fraudulently.

### The online service

- 6.13 Where you have applied for our **online service**, when we open your **account** we may issue you a username and temporary password for accessing your **account** through the **online service**. You will be required to change the temporary password to a password of your choosing. You can change your username or password online by following the instructions on the screen. You may also be required to provide other memorable information and/or additional **security details** for the purposes of identifying yourself.
- 6.14 When we need to contact you we normally do so by sending an email to the email address registered against the **account** or by posting the communication onto our **website** or both. If we send messages or information to you by posting them onto our **website** we won't change them after we have sent them.
- 6.15 Our **online service** is provided via secured internet sites. Disconnecting from the internet or leaving our secure sites will not automatically sign you off. You must always use the sign off facility when you are finished and never leave your computer/device unattended while you are signed in. As a security measure, if you have not used the **online service** for some time, we will ask you to sign in again.
- 6.16 You are responsible for ensuring that your computer, mobile device, software and other equipment are capable of being used with our **online service** and for carrying out your own regular virus checks and security updates.
- 6.17 We will take reasonable care to ensure the security of, and prevent unauthorised access to, our **online service**.
- 6.18 When using the **online service** you must comply with any instructions and procedures that we give you from time to time.
- 6.19 We will not be liable for any losses that you suffer due to any failure of the **online service** to the extent that the failure is beyond our reasonable control.
- 6.20 We will take reasonable efforts to provide the **online service**, but we may suspend all or part of the **online service** where we reasonably consider it necessary, including for maintenance, technical problems, regulatory reasons, for our protection or to ensure that we can continue to make the **online service** available.

6.21 If, at any point, the flow of information between us on the **online service** is interrupted (for example, your computer or mobile device crashes, you lose network connection or you receive an error message), and you are not certain whether your instructions have been accepted or not, do not try to enter your instructions again. Instead, please try to log on to our **online service** again and check your **account** details. If you cannot log on, or you are still uncertain about whether we have received your instructions, please telephone us and we will confirm the position. We will not be responsible if you give us repeated instructions, incorrect instructions or mistaken instructions.

6.22 Unless we tell you otherwise, any software, hardware or device we provide to you in connection with the **online service** is licensed to you. The copyright and all other rights in it and any other information we provide to you remains owned by us or the person who licenses it to us. You must use it exclusively in connection with this **agreement**. You will obtain no rights, title or interest in any such materials or intellectual property rights relating to them.

#### Telephone service

6.23 When we open your **account**, we will send you a personal reference/**account** number and a personal identification number (PIN) for accessing your **account** through the **telephone service**.

#### Using the service outside the UK

6.24 Our **service** is available to UK (and, except in relation to **ISAs**, Jersey, Guernsey and the Isle of Man) residents and is designed to be used by persons situated in those countries only.

6.25 If you are outside the UK (or, except in relation to an **ISA**, Jersey, Guernsey or the Isle of Man) you may only use our **service** to view information or to close your **account**, but not to open new **accounts**, buy **investments** or make further subscriptions to an existing **account**. To ensure that we do not breach **regulatory requirements** in the country you are resident, we may prevent you from using our **service** to sell **investments** unless you are closing your **account**. If you use the **service** while you are located outside the UK (or Jersey, Guernsey, or the Isle of Man, if applicable) you do so at your own risk and it is your responsibility to check local regulations to make sure it is legal for you to do so.

6.26 You must tell us immediately if you cease to meet the residency and eligibility requirements set out in Condition 5.1(c). In such circumstances we may have to close your **account** and terminate this **agreement**, sell any **investments** or limit your ability to **deal**, for example to ensure that we do not breach **regulatory requirements** in the UK or in the country you have moved to.

## 7. Funding and withdrawing amounts from your account

### Funding your account

- 7.1 Before you place an **order** to purchase **investments**, you must ensure that there are sufficient **tradable funds** in your **account** to **settle** that **deal** and to pay any associated **costs and charges**.
- 7.2 **Tradable funds** are the money held in your **account**, minus any amounts that will be required to **settle** any buy **order** that has been executed but not yet **settled**, plus amounts that you will receive in respect of any sell **order** that has been executed but not yet **settled**.
- 7.3 You can fund your **account** in the following ways:
- by paying an amount from your **nominated bank account** by debit card – provided that we receive an ‘authorisation’ from your bank, we will deem this to be **available funds** and **tradable funds** immediately;
  - by Direct Debit from your **nominated bank account** – we will initiate the request as soon as we have received it although it can take up to three **working days** before the money will become **available funds** and **tradable funds**; and/or
  - by sterling cheque from a bank in the UK, the Isle of Man or Channel Islands. You will not be able to trade until the money becomes **available funds** and **tradable funds**.
- 7.4 If you are going to make a payment by debit card and your bank imposes any limits on your debit card, it is your responsibility to notify your bank of the payment that we will request so that we can collect it.
- 7.5 There is a limit on the amount you can fund your **account** with via debit card of £100,000. If you want to fund with more than this you should contact our customer **services** team.
- 7.6 We will not be liable for any loss arising directly or indirectly from the late collection of a payment that is outside our reasonable control, including any loss of investment opportunity or loss of tax relief.
- 7.7 If you have authorised us to deduct payments and/or **costs and charges** through a Direct Debit instruction and there are any changes to the amount, date or frequency of your Direct Debit we will notify you 3 **working days** in advance of your **account** being debited or as otherwise agreed. If you request us to collect a payment, confirmation of the amount and date will be given to you at the time of the request.
- #### Income
- 7.8 All **income** received by us will be paid into your **account** within 10 **working** days of receipt, unless you ask us to pay **income** to your **nominated bank account** or elect to take part in a **DRIP** scheme. Where we are required by **regulatory requirements** to do so, you authorise us to deduct income tax at the appropriate rate from any dividends, interest payments and cash entitlements which are paid gross before paying the net amount to you, and to account for any tax deducted to the relevant authorities.

- 7.9 We will only accept dividends in cash unless we agree otherwise.
- 7.10 Any cash that you are entitled to receive in connection with your **account** will be rounded down to the nearest penny.
- 7.11 We will not provide relief at source or support reclaims for withholding tax on foreign securities. However, for US securities, a reduced rate of withholding tax on dividends or other **income** may be possible where we have received completed documentation and a valid treaty claim is made.

#### Withdrawing cash from your account

- 7.12 You can withdraw **available funds** held in any **account** at any time by using the **online service** or the **telephone service** so long as enough **tradable funds** remain to **settle** any outstanding buy **orders** and pay any **costs and charges** due but not yet paid, subject to Condition 11.
- 7.13 Funds will usually be sent by electronic transfer to your **nominated bank account** which can take up to three **working days**. Alternatively, if your **account** is an **ISA**, we can transfer cash to another **ISA manager** (see Condition 21.34).
- 7.14 If we are unable to complete the transfer of funds to your **nominated bank account** and the value of the funds is equal to or above £25 we will make payment by cheque payable to you. If the value is less than £25 we will hold the sum in your **account**.

#### Sell to withdraw instruction

- 7.15 If your **account** is not an **ISA**, and you make a 'Sell to Withdraw' instruction in respect of some or all of your **investments**, we will liquidate those **investments** and initiate the transfer of the sale proceeds to your **nominated bank account** on the **settlement date** specified in the **trade confirmation**. Please see Condition 7.13 for details of payment timescales. However, please note we may need to validate your **nominated bank account** details before we can pay you. This may lead to a delay in you receiving the funds.
- 7.16 A 'sell to withdraw' instruction can only be placed using our **telephone service**.

#### Withdrawing investments from your account

- 7.17 You can withdraw **investments** held in your **account** at any time, so long as you have sufficient **assets** remaining to **settle** any outstanding **costs and charges** and subject to Condition 11. We will transfer **investments** direct to another service provider upon instructions from that service provider. Alternatively, upon receipt of your request through the **telephone service**, we will arrange for you to be sent a certificate in your name for your **investments**, unless this is not possible due to the nature of the **investments**. We may charge you for some of these **services**. Please see our **website** for details.
- 7.18 You cannot transfer **investments** from your **account** until the **investments** have **settled** in your **account**.

- 7.19 If you prefer, you can instruct us to sell your **investments** and transfer the cash proceeds to your **nominated bank account**. Alternatively, if your **account** is an **ISA**, we can transfer the cash proceeds to another **ISA manager** (see condition 21.34).

## 8. Dealing

### Asset Eligibility

- 8.1 Any stocks proposed to be added to our platform will be subject to eligibility checks to ensure they meet our **trading** criteria.

### Placing orders

- 8.2 Except as otherwise set out in this **agreement**, you can place **orders to deal**:
- using the **online service** at any time when it is available; or
  - the **telephone service** during the stated business hours for the **telephone service**.

If the **online service** is unavailable or if you receive an error message, you should use the **telephone service** to place or confirm an order.

- 8.3 When you place an **order** you must tell us the exact name and number or value of **investments**, whether you want to buy or sell those **investments**, and any other information that we may reasonably require.

### Accepting or refusing orders

- 8.4 Where we have accepted your **order** we will confirm this by giving you an **order** or bargain reference. Your **order** will not bind us until we have accepted it.
- 8.5 Any **deal** that we accept in good faith will form a legally binding contract between you and us. Once we have accepted your **order** you cannot change your mind afterwards, unless they are **TradePlan orders**, in which case Condition 18.13 will apply, or **scheduled investments**, in which case Condition 19.5 will apply.
- 8.6 Once we have accepted an **order** we may, at our discretion, delay execution of that **order** until we can contact you to clarify or check your **order**, if we reasonably believe that it is in your interests to do so. This may include, but is not limited to, any occasions where your **deal** is outside the normal **market** size for that **investment**. We will not be liable for any actual or potential financial loss or expense that you incur as a result of a delay, provided that we have taken all reasonable steps to contact you promptly.
- 8.7 We may reject your **order** where:

- your **account** does not contain sufficient **tradable funds** for the relevant **deal** or any other **orders** to purchase **investments** that you have placed but that have not yet **settled**. If **tradable funds** are insufficient at the point of execution to cover the whole amount of the **deal**, we reserve the right to either:
  - not carry out any part of the **deal**;
  - adjust your **deal** to match the **tradable funds** in your **account**; or
  - where the **deal** is a purchase of **investments** which are listed on international **markets**, we may proceed in accordance with Condition 8.22;

- (b) your **account** does not contain sufficient **investments** for the relevant **deal** and for any other **orders** to sell **investments** that you have placed but that have not yet **settled**;
- (c) by carrying out your **order**, we reasonably believe that we might breach **regulatory requirements** or the rules of any **market** or become exposed to action or censure from any government, regulator or law enforcement agency;
- (d) we are not reasonably satisfied that you have the right to **deal in investments** in relation to which you have given us an **order**, in which case we will not accept your **order** until you have provided us with proof that is reasonably satisfactory to us;
- (e) your **order** is unclear or we have reasonable grounds to believe that it is incorrect, given in error or is not given by you or a person authorised by you;
- (f) we have not received any information that we have requested and which is reasonably necessary for us to carry out the **deal**; or
- (g) your **order** is to sell **investments** and you owe us any money.
- 8.8 If we reject an **order** we will take reasonable steps to tell you about that rejected **order** and the reason for our rejection, provided that we are permitted to do so under the **regulatory requirements**.
- Executing orders**
- 8.9 If we accept an **order** inside a **dealing period**, we will carry it out as soon as reasonably practicable. If we accept an **order** outside a **dealing period**, we will carry it out as soon as reasonably practicable after the start of the next **dealing period**.
- 8.10 Once we have accepted your **order** we cannot accept any responsibility for any actual or potential financial loss or expense that you incur if, for any reason (other than our negligence), there is a delay or change in **market** conditions before the execution of your **order** is complete.
- 8.11 If we negligently fail to carry out an **order** that we have accepted, we will take all reasonable steps to return you to the position that you should have been in had we not so failed.
- 8.12 We will execute each **order** in accordance with the **regulatory requirements** and the rules of any **market** on which the **deal** is effected.
- 8.13 We will publish on our **website** on an annual basis the top five execution venues as defined in the **FCA Rules** in terms of **trading** volumes per asset class where we executed customer **orders** in the preceding year.
- 8.14 We carry out **orders** in accordance with “best execution”. “Best execution” is our obligation under the **regulatory requirements** to take all sufficient steps to obtain, when executing **orders**, the best possible results for our clients on a consistent basis in accordance with our **Order Execution Policy (OEP)**.
- 8.15 We will carry out your **orders** in accordance with our **OEP** which sets out the arrangements that we have put in place to ensure that we meet our “best execution” obligations. Our current **OEP** has been provided to you, and we will provide you with any updated **OEP** from time to time, including by publishing this on our **website** at [www.halifax.co.uk/investing/help-and-guidance/important-information](http://www.halifax.co.uk/investing/help-and-guidance/important-information)
- 8.16 If you give us specific dealing instructions in relation to an **order** and we agree to execute your **order** in accordance with those instructions rather than in accordance with our **OEP**, it may not be possible for us to obtain the best result that would otherwise be available to you at the time of the **deal**, and the dealing terms you receive may be adversely affected.
- 8.17 You authorise us to execute **deals** on your behalf outside of a regulated **market** or **MTF** when we believe it is in your best interests to transact in this way.
- 8.18 When we carry out a **deal**, we may combine your **order** with those of other clients. This is called “**order aggregation**”. We will only aggregate your **order** where we reasonably believe at the time we **deal** that the aggregation is unlikely to work overall to your disadvantage. However, the result of the aggregation may be to your disadvantage in relation to a particular **order** compared to if we had bought or sold your **investments** separately.
- 8.19 We may treat each **order** in more than one type of **investment**, or each **order** to **deal** at different times in the same type of **investment**, as separate **orders**, in which case **costs and charges** will apply separately to each **deal**.
- 8.20 If, after an **order** is placed on your behalf on a **market** we cancel any dealings in the relevant **investment** where we are asked by that **market** to do so, we will not be liable for any actual or potential financial loss you incur as a result. In particular, we reserve the right to cancel any duplicate or repeated **deals** that you give to us where the circumstances indicate that the **deal** has been split into a number of smaller **deals** to take advantage of any **market** limitations or restrictions.
- 8.21 We may carry out a **deal** as the other party to that **deal** rather than arrange the **deal** for you with somebody else. If we do this, we will tell you after we carry out the **deal**.
- Dealing on international markets**
- 8.22 When purchasing **investments** which are listed on international **markets** we will, acting reasonably, notionally limit your **order** to 90% of the **tradable funds** in your **account**. We do this to limit the risk that a sudden adverse change in **market** conditions or exchange rates means that your obligation to **settle** exceeds your **tradable funds**. However, should such a change occur and your obligation to **settle** exceeds your **tradable funds**, you will remain liable to **settle** the **deal** in full.
- Deal confirmations**
- 8.23 We will send you a **trade confirmation** for each **deal** no later than the **working day** following that on which we carried out your **order**, or, where that **order** was carried out by a third party on our behalf, no later than the **working day** after that on which we receive the relevant confirmation from that third party.

- 8.24 You can ask us at any time for an update on the status of any **order** you have placed.
- 8.25 Our **deal** records are conclusive. This means that, in the absence of any obvious error, the information held on our computer systems and the **trade confirmation** for that **deal** are the only valid evidence of the **deal**. In particular, the screen message may not be used as evidence of a **deal**.
- 8.26 If you become aware or believe that information in a **trade confirmation** or on our systems is incomplete or incorrect, you must tell us as soon as possible so that we can rectify any missing or incomplete information.

#### **Certificated shares**

- 8.27 If you already own shares that are evidenced by a paper certificate ("**certificated shares**"), you can sell these shares using our **telephone service** (but not our **online service**).
- 8.28 You must make sure that you have possession of the share certificates and they are in your name before you call us to **deal**. By giving us an **order** to sell **certificated shares** you undertake that you are the owner of those shares and that they accurately reflect your holding on the appropriate share register. We may, at our discretion, require you to provide us with the share certificates before we will carry out your **order**.
- 8.29 Once we have carried out your **order**, we will send you a **trade confirmation** and a transfer form. We must receive, in a form reasonably acceptable to us:
- the transfer form signed by you;
  - your share certificate (unless this is already in our possession); and
  - any other relevant documents and information from you or the registrar of the relevant company that we may request;

at least three **working days** before the **settlement date** stated on the trade confirmation. If this does not happen then **settlement** may be delayed or may not take place at all and you may not receive your proceeds of sale until after the **settlement date** stated on the **trade confirmation** or at all.

- 8.30 Different **costs and charges** apply to **deals** in **certificated shares**. These can be found on our **website**.
- #### **Appropriateness**
- 8.31 Before you can place an **order** to **deal** in certain **investments**, such as **complex instruments** (for example, certain Exchange Traded Products), we may be required under the **regulatory requirements** to assess the appropriateness of such transactions for you by reference to your knowledge, experience and understanding of the risks involved.
- 8.32 If we assess that a certain **investment**, such as a **complex instrument**, that you are attempting to place an **order** for is not appropriate for you, you will not be permitted to place the **order** at that time.

## **9. Settlement**

- 9.1 Your **account** will be denominated in Pounds Sterling. We will carry out **deals** and **settle** them with and for you in Pounds Sterling.
- 9.2 Where we are required to **settle** any transaction in a currency other than Pounds Sterling, we shall convert the relevant amounts into or out of that currency at the available exchange rate based on the prevailing currency **market** at the time we carry out the **deal** and will include a charge. We will give you an indicative exchange rate when you place your **order** although you should be aware that the actual exchange rate applied to your **deal** may change from the indicative rate provided. The rate applied to each **deal** will be confirmed on the **trade confirmation** once the **deal** has been completed.
- 9.3 Subject to Condition 9.4, where we carry out a **deal** for you, so long as you have complied with your obligations, your **account** balance will reflect the cash proceeds and the **investments** relating to that **deal** on the dealing date, although the cash proceeds of a sale **order** will only become **available funds** on the **settlement date**.
- 9.4 Where we carry out a **deal** for you to sell **certificated shares**, we will pay the cash proceeds into your **account** only once we have actually received these proceeds from the purchaser. This may be on or after the **settlement date**, or, if the purchaser fails to **settle** the **deal** at all, we will not be able to pay the proceeds to you but will return the **certificated shares** to you.
- #### **Receipt of proceeds on the sale of investments**
- 9.5 Subject to Condition 9.4, if you sell **investments** the net sale proceeds received by us will be credited to your **account** on the dealing date stated on the **trade confirmation**. For your convenience, sales proceeds from sales of **investments** held in your **account** will count as **tradable funds** from the date of your **order** for the purposes of buying other **investments** only. Sales proceeds will not become **available funds** until the **settlement date**.
- 9.6 If you owe us any amounts, we may use the sale proceeds to meet such outstanding amounts.
- #### **Payment on the purchase of investments**
- 9.7 If you use your **account** to purchase **investments** through **TradePlan** or **Scheduled investments**, the price for those **investments** will be deducted from your **account** and cease to be **tradable funds** and **available funds** on the dealing date.
- 9.8 Save as set out in Condition 9.7, once you have placed an **order** for a **deal**, the relevant amount of **tradable funds** in your **account** required to **settle** that **deal** will be committed to that **deal** and will cease to be **available funds** or **tradable funds** for any other **deal**.
- #### **Investments**
- 9.9 When we carry out a **deal** for you we will credit or debit the relevant **investments** to or from your **account** on the **settlement date**. Your **account** will be updated automatically at the time of your **deal** to reflect the **investments** you have bought or sold, although you



cannot withdraw **investments** from your **account** until the **settlement date**.

- 9.10 If a **corporate action** results in **investments** being due to or from you, your **account** will be updated in line with the terms of such **corporate action**, as notified to you at the time.

#### **Failure to settle**

- 9.11 There may be circumstances beyond our control which mean that we are unable to settle your transactions. If this occurs we will use our reasonable endeavours to settle the trade for you. However:

- (a) There may be circumstances in which **settlement** is impossible or prevented by a third party or an exchange or irregular **market** conditions;
- (b) Where the trade has to be **settled** through a **settlement** system, this may also mean that there is a significant delay in **settlement** or that **settlement** does not occur, and
- (c) You will be liable for your obligations in relation to the transaction until **settlement** or other conclusion of the transaction occurs.

If **settlement** failure occurs we will notify you as soon as reasonably practicable and discuss with you your options for **settlement**.

- 9.12 If you fail to:

- (a) pay amounts due from you in **settlement**;
- (b) pay, when due, a **charge** notified to you in accordance with this **agreement** or any other amount properly due to us under this **agreement**;
- (c) make **investments** available in your **account** in order to complete a **deal**; and/or
- (d) comply with Condition 8.28 in respect of a **deal** in **certificated shares**;

we may:

- (e) treat any outstanding **deal** as having been cancelled;
- (f) apply all relevant **costs and charges** for carrying out that **deal**;
- (g) require you to reimburse us for the cost of buying in **investments** in **order** to **settle** a **deal**, together with any associated costs and fees which we incur;
- (h) claim from you the total amount that you owe us together with interest on that amount at a rate of 2% above the **Halifax Variable Mortgage Base Rate** from time to time in force (calculated on a daily basis) from that date until payment in full has been received; and/or
- (i) to the extent permitted by **regulatory requirements**, retain, transfer or sell any of your **investments** or connected rights that our **nominee company** holds for you and any **tradable funds**, and apply the proceeds towards settling the total amount owed by you. Any shortfall will still be due from you.

- 9.13 We reserve the right to pass your details on to a third party for debt collection purposes if we reasonably believe that any amount owing to us by you will not be paid.

## 10. Holding investments and cash in your account

### **Holding your investments**

- 10.1 **Investments** in your **account** will be held for you in “safe custody”. This means that they will be kept separate from our own **investments** and we may register ownership of your **investments** in the name of either:
- (a) a **nominee company** (which may or may not be controlled by us). The **nominee company** will have legal title to the **investments** and you will retain beneficial ownership at all times; or
  - (b) in the name of a sub-custodian located outside the UK, where the relevant **investments** are subject to the law or **market** practice of a jurisdiction outside the UK and where we have taken reasonable steps to determine that it is in your best interests to do so, or that it is not feasible to do otherwise, because of the nature of the applicable law or **market** practice.
- 10.2 If we register your **investments** in the name of a sub-custodian located in a jurisdiction outside of the UK:
- (a) different **settlement**, legal and **regulatory requirements** may apply from those in the UK; and
  - (b) there may be different practices for the separate identification of safe custody **investments**.

This means that the protection of your **investments** may be different depending on the jurisdiction in which the sub-custodian operates.

- 10.3 You agree your **investments** will be pooled with **investments** held by the **nominee company** or subcustodian for other clients. This means that your **investments** will not be separately identified from those of other clients except within our records. We have controls in place to ensure that your **investments** are not used to settle trades of another client.

Regardless of the controls and measures in place there can be instances when shortfalls in money or **investments** can occur, sometimes just during the **working day** or sometimes for a longer period. If there is a shortfall in any of the holdings of the **nominee company** or sub-custodian you may share proportionally in such losses.

Where we identify a discrepancy that results from or reveals a shortfall, or during an investigation where we deem it appropriate to do so, we will allocate a sufficient amount of our own money to cover the value of the shortfall, which we will hold as **client money**.

- 10.4 Some companies offer special benefits to their shareholders (that is, “shareholder perks”). As your **investments** will be pooled with those of other clients and will be registered in the name of the **nominee company** or a sub-custodian, we may not be able to claim shareholder perks for you. However, if we can claim shareholder perks for you and you ask us to do so, we will do this and pass them on to you.
- 10.5 We will hold your **investments** in accordance with **regulatory requirements**.

- 10.6 We will accept full responsibility for the acts and omissions of the **nominee companies** as if they were our own.
- 10.7 Where we appoint a third party to act as sub-custodian, we will exercise all due skill, care and diligence in the selection and appointment and periodic monitoring of that third party. However, we accept no responsibility for the default or other failure to perform by a third party sub-custodian except to the extent that we have failed to exercise such due skill, care and diligence.
- 10.8 Where your **investments** are held by a third party custodian, we cannot ensure that you would not lose any **investments** if the entity fails. In order to show that your **investments** are not available to that entity's creditors, we will take reasonable steps to ensure that their records show that the **investments** are held for you and that they do not belong to us, the **nominee company** or the third party sub-custodian. In the event that a **nominee company** or third party custodian becomes insolvent we will seek to recover your **investments** through all means reasonably available to us, including from the administrator or insolvency practitioner appointed to **deal** with that entity's affairs. During such period you may not be able to place an **order to deal** in the affected **investments**.
- 10.9 You authorise us, and the **nominee companies** and third party sub-custodians which we appoint, to hold or transfer **investments** (or entitlements to them) with or to: securities depositaries, clearing or **settlement** systems, account controllers or other participants in the relevant systems in the course of providing the **service**. These **investments** or entitlements will be separately identifiable from any **investments** or entitlements held in the same system for our account. These entities may be located in or outside the UK.
- 10.10 We will not lend or deposit by way of collateral any **investments** in your **account** to a third party.
- 10.11 You must not use the **investments** and cash in your **account** as security for a loan.
- 10.12 Where permitted by **regulatory requirements**, if we have not received instructions in relation to your **account** for at least 12 years and we have taken reasonable steps to contact you but cannot do so, we may sell your **investments** and pay the proceeds and/ or transfer your **investments** to a charity of our choice. Where we do this we will unconditionally undertake to pay you a sum equal to the value of the **investments** at the time they were sold or transferred to that charity if you later contact us to claim your **investments**.
- 10.13 You agree that we may, in accordance with the **regulatory requirements**, not treat **investments** as client assets where we receive them from you in relation to a **delivery versus payment transaction** to sell those **investments** which is **settled** through a commercial **settlement** system. We will treat the relevant **investments** as our own property and not as client assets for the shortest of:
- the period of time between when we deduct the relevant **investments** from your **account** and when the **deal settles**; and
  - 3 working days** from when we deduct the relevant **investments** from your **account**.
- Cash proceeds in respect of the sale will be held as **client money** for you from the **settlement date** specified in the **trade confirmation**.
- Holding your cash as client money**
- 10.14 Where we hold cash in your **account** we will hold it as **client money** in accordance with the **client money rules**.
- 10.15 This means that we will keep money that we hold for you separate from our own money. Your money will be placed, along with money belonging to other clients, in a pooled **client money** bank account with an **approved bank** in accordance with the **client money rules**.
- 10.16 As your **client money** will be pooled with **client money** held for other clients, your **client money** will not be separately identified from that of other clients and if there is a shortfall in the amount held by the approved bank you may share proportionally in such losses. We may also place **client money** in notice or unbreakable term deposit **accounts**. Client money may be placed in **accounts** with notice periods of, or on deposit for fixed terms of, up to 95 days. Placing **client money** in notice or term deposit **accounts** does not in itself affect your ability to **deal** with or withdraw funds from your **accounts**. However, such amounts may not be immediately available for distribution to you in the event of default by us or by one of the institutions with whom your money is held. In the event that an **approved bank** becomes insolvent we will seek to recover your money through all means reasonably available to us, including from the administrator or insolvency practitioner appointed to **deal** with that entity's affairs.
- 10.17 We will exercise all due skill, care and diligence in the selection, appointment and periodic review of any **approved bank** to whom we transfer **client money**.
- 10.18 You authorise us to allow another person, such as an exchange, clearing house or intermediate broker, to hold or control your **client money** for the purposes of **deals** for you through or with that other person.
- 10.19 We may place your **client money** with an **approved bank** outside the UK and where we effect a **deal** on your behalf, or **income** is paid on **investments**, outside the UK your **client money** might have to pass through a third party such as an exchange, clearing house or intermediate broker located outside the UK. In these circumstances the applicable legal and regulatory regime will be different from that in the UK and if that person fails, and is thereby unable to repay all of its creditors, your **client money** may be treated differently than if it were held in the UK. In the event of such a person being declared in default we will make a claim on your behalf, including, where applicable, through any available compensation scheme.
- 10.20 We do not currently pay interest on client monies held in your **account**.

10.21 Where permitted by the **regulatory requirements**, if there has been no movement in the balance of the **client money** in your **account** for a period of at least six years and we have taken reasonable steps to contact you but cannot do so, we may cease to hold these amounts as **client money** and pay them to a charity of our choice. Where we do this, we will unconditionally undertake to pay you a sum equal to that paid to charity if you later contact us to claim these amounts.

10.22 You agree that we may, in accordance with the **client money rules**, not treat money as **client money** in respect of a **delivery versus payment transaction** to buy **investments** settled through a commercial **settlement** system. We will treat the relevant funds as our own money and not as **client money** for the shortest of:

- (a) the period of time between when we deduct **tradable funds** from your **account** and when the **deal** settles; and
- (b) 3 **working days** from when we deduct **tradable funds** from your **account**.

When we receive the **investments** you have purchased, we will hold them as client assets for you.

#### Transfers of business

10.23 If we transfer to a third party the business to which this **agreement**, your **client money** and/or **investments** relate, you agree that we may transfer your **client money** and/or **investments** to that third party as part of the transfer of business, provided that:

- (a) the **client money** and/or **investments** are transferred on terms which require the third party to whom they are transferred to return your **client money** and/or **investments** to you as soon as practicable at your request; and
- (b) if the amount of **client money** and/or **investments** transferred is not less than £25, either:
  - (i) the **client money** and **investments** transferred will be held in accordance with the **client money rules** and the UK **regulatory requirements** relating to the holding of **investments**; or
  - (ii) we have exercised due skill and care in the selection of the third party to whom your **client money** and/or **investments** are transferred.

10.24 If we transfer your **client money** and/or **investments** under Condition 10.23, we will give you notice no later than seven days after the transfer, informing you:

- (a) whether or not the **client money** and/or **investments** will be held by the person to whom they have been transferred in accordance with the **client money rules** and the UK **regulatory requirements** applying to the holding of **investments** and, if not, how the **client money** and/or **investments** being transferred will be held by that person;
- (b) the extent to which the **client money** and/or **investments** transferred will be protected under a compensation **scheme**; and

- (c) that you may opt to have your transferred **client money** and/or **investments** returned to you as soon as practicable at your request.

## 11. Our right to use your assets

11.1 If we, or another member of the **Lloyds Banking Group**, reasonably believe that you will be unable to make payments when due, we or they may, where **regulatory requirements** allow, retain, transfer or sell any of your **assets** so far as is reasonably necessary:

- (a) to **settle** any transactions entered into on your behalf; or
- (b) to pay any of your outstanding liabilities, arising under this **agreement** or any other arrangement you have with us or them.

#### Our rights of "set off"

11.2 If:

- (a) we owe you money, including on a current, savings or other account under this **agreement** or another **agreement** with us; and
- (b) you have failed to pay us any amount that you owe us under any **agreement** that you have with us; we may, where **regulatory requirements** allow, use the money that we owe you to reduce or repay the amount you owe us. This is called a "set off right".

11.3 We may use our set off right even if the amount you owe us is dependent on another event or has not yet become due, if we reasonably think that you will be unable to pay us when the amount does become due.

11.4 We may use our set off right without telling you in advance if we reasonably think that you will do something to prevent us from obtaining repayment by set off, or if we have otherwise agreed with you that we can do so.

11.5 If you have told us, in a way reasonably acceptable to us, that money that you hold on an **account** in your name is not yours, but someone else's, we will not use the set off right that we have under this **agreement** against the money in that **account**.

11.6 We may use our set off right where you have **accounts** which are only in your name, as well as joint **accounts**.

11.7 We may also set off amounts that we owe you against amounts that you owe other companies in the **Lloyds Banking Group** and set off amounts other companies in the **Lloyds Banking Group** owe you against amounts you owe us, unless prevented by insolvency law.

#### Our security interest over your assets

11.8 As long as you owe us any money under this **agreement** or any other agreement with us, we may retain possession of your **investments** as security (this right is known as a "lien").

11.9 Where your **investments** are held outside of the UK, your **investments** may also be subject to a similar lien in respect of **costs and charges** relating to the administration and safekeeping of such **investments** or of any depositary or **settlement** system in favour of:

- (a) any sub-custodian, company or agent appointed by us in accordance with this **agreement**; or

- (b) the sub-custodian, company or agent of any sub-custodian appointed by us.

#### General

- 11.10 Other members of the **Lloyds Banking Group** may, where **regulatory requirements** allow, enforce these rights of set off and security as if they were a party to this **agreement**.
- 11.11 Nothing in this clause limits any other rights that we and any other members of the **Lloyds Banking Group** may have over your **investments**, however such rights arise.

## 12. Corporate actions

- 12.1 If you ask and where available, we will arrange for you to:
  - (a) attend shareholders', securities holders' or unit holders' meetings (subject to any restrictions on attendance imposed by the company); and
  - (b) vote by proxy (by telling us how you want the votes to be exercised by the **nominee company**). We will only use any rights we have to vote for you when you tell us to do so.
- 12.2 If you are entitled to extra **investments** (for example, through a bonus or other capitalisation issue), we will automatically arrange to hold your new **investments** in your **account**.
- 12.3 Subject to the rest of this Condition 12, if a **corporate action** happens in relation to **investments** held in the **account** we will use reasonable endeavours to tell you about any rights attaching to your **investments**, unless we consider it impractical to do so. If you wish to participate in the **corporate action**, you must give us your instructions, by a method that we request, by the end of that given date. We will use reasonable endeavours to give effect to your instructions but only on such terms as you advise and as are reasonably acceptable to us. If we become aware of a **corporate action** at short notice, and we do not have time to obtain your instructions, or if we do not receive your instructions in time, we will select the default option that is specified by the company. Otherwise, we will take such action, or refrain from taking any action, as we, in our reasonable discretion, determine.
- 12.4 We may delay writing to you until the **corporate action** has been declared ex-entitlement or, in the case of a mandatory **corporate action**, until the **corporate action** has become effective and we have received the benefits to which you are entitled. With the exception of a compulsory acquisition, we will not accept any such offer on your behalf without your specific instructions and we will not accept instructions to accept only part of such an offer. This could mean any benefits that you were entitled to could lapse.
- 12.5 If we do not receive any instructions from you by a given date in respect of a compulsory acquisition, we will accept the basic terms of the acquisition on your behalf. We will write to you when this has occurred.
- 12.6 Where applicable, you must have **available funds** in your **account** by the given date that we notify to you before we can carry out an instruction in respect of a **corporate action**. If **available funds** are not available Condition 9.11 will apply.
- 12.7 The terms of a **corporate action** may require us to make a single election on behalf of our **nominee company** holding in the company. If it does, we may not be able to offer clients the same choices that would have been available if the shares in that company were held directly. Where possible we will use reasonable efforts to give you an option which best approximates the offer available to shareholders but we cannot guarantee that this will match the option given by the company.
- 12.8 Where you have indicated a wish to participate in a **corporate action** and our **nominee company** receives a distribution of entitlement to shares and any other benefits due to you arising from that **corporate action**, we will allocate the entitlement to your **account** promptly and in accordance with the **regulatory requirements**. Any entitlements will be rounded down to the nearest whole share or to at least two decimal places for Unit Trusts.
- 12.9 If, after acting for you and our other clients for any transaction, we are left with fractions of **investments** or cash, and it is impractical to credit those fractions of **investments** or cash to your **account**, we may add these together, sell them (in the case of **investments**) and keep the proceeds to set against our operating costs.
- 12.10 If the **investments** held in your **account** are subject to a **corporate action** which includes an offer to purchase additional shares and you decide not to take up that offer, we may instruct our **nominee company** (as legal owner of the shares) to purchase those shares on our behalf. We will retain any profit (and be liable for any loss) on any future sale of those shares.
- 12.11 If the **investments** held in your **account** are subject to a **corporate action** which causes your **investment** to become ineligible for our **service** we will not be liable for any loss incurred.
- 12.12 Under the rules of any **market**, if you are selling **investments** through us and you receive a related benefit to which you are not entitled, you must give up this benefit to us and we will collect it and pass it on to the person entitled to it. Equally, if you are buying **investments** and you do not receive a related benefit to which you are entitled we will claim that benefit for you. Entitlement is established by reference to the **market's "ex-date"** (that is, the date on which an **investment** is traded without that entitlement) and not the "record date" (that is, the date on which it is determined that all holders shown on the register will receive a benefit). If you make a **corporate action** election and subsequently sell your **investments**, you will be liable for any costs associated with us having to buy back those **investments** to honour your election. You will also be liable to pay for any loss arising from adverse movements in the share price.

- 12.13 Where we are required to make a **corporate action** call payment on your behalf, or we need to pay you a dividend, interest or a cash entitlement in a currency other than Pounds Sterling, we will make the appropriate currency conversion in accordance with Condition 9.2 and will inform you of the Pounds Sterling equivalent and when we are to transfer this from or to your **account**. We may charge you for the currency conversion. Please see our **website** for details.
- 12.14 Additional terms apply if a **corporate action** occurs in relation to **investments** held in an **ISA**. These are set out at Condition 21.
- 12.15 If you ask us we may, but are not obliged to, instruct our **nominee company** on your behalf to request a company calls a general meeting provided our **nominee company** holds the requisite amount of **investments** on your behalf. You must provide us with such confirmation as we reasonably request that you have fulfilled any **regulatory requirements** relating to the disclosure of your interest in the **investments**.

### 13. Costs and Charges

- 13.1 We apply **costs and charges** for the **service**. Details of our current **costs and charges** are listed on our **website** and are available on request.
- 13.2 We may change our latest published **costs and charges** at any time in accordance with Condition 16.
- 13.3 You are liable for any costs which we properly incur under this **agreement**, including reasonable nominations, transfers and registration fees, stamp duties, any other taxes or fiscal liabilities and any losses which we suffer if you fail to comply with your obligations under this **agreement**.
- 13.4 You will pay Panel on Takeovers and Mergers ("PTM") levy on real-time trades or any planned purchases over £10,000 (where applicable).
- 13.5 We will collect **dealing charges** by adding them to the cost of buying **investments**, or by taking them from the sale proceeds. Additional **costs and charges** may be levied by the Fund Manager in relation to **orders** placed in Unit Trusts and OEICs. Any applicable **costs and charges** will be included within the amount payable by you or the amount you receive in respect of these **investments**.
- 13.6 We will collect the annual administration **charge** from **available funds** within your share dealing **account** or **ISA**. If there are no funds available within your share dealing **account**, we will collect the charge from your **nominated bank account**. This charge will be made whether or not you are holding **investments** in the **account**.
- 13.7 We will deduct any Stamp Duty, Stamp Duty Reserve Tax, Value Added Tax or any other taxes or levies, including any overseas transaction taxes, which apply when you buy or sell **investments** or incur **costs and charges**. We will account to the appropriate authorities, including foreign authorities, for all such taxes and levies either directly or through a third party. Any applicable charges will be passed onto you. You may be liable for any other taxes that arise in connection with a **deal**, for example Capital Gains Tax. Other costs and taxes may exist that are not paid or imposed by us. You have a responsibility to ensure you understand and adhere to personal tax obligations resulting from engaging with our products or **services**.
- 13.8 All **costs and charges** and any other payments due from you to us for any supply made by us are inclusive of VAT (where applicable).
- 13.9 When we calculate our **costs and charges**, we round up fractions of a penny to the nearest penny.
- 13.10 We may **charge** debit interest on unpaid amounts due to us as set out on our **website** from time to time.
- 13.11 We may collect **costs and charges**, interest and other costs due to us under this **agreement** by debiting any **account** that you hold with us or any member of the **Lloyds Banking Group** in accordance with Condition 11. This includes the right to use any money held in the **account** and/or arranging the sale of **investments** held in the **account** to provide funds to cover any outstanding amount. If we sell any **investments** held in your **account** to cover any outstanding amount we may charge for doing so. Please see our **website** for details.
- 13.12 We may restrict your **account** and prevent any further transaction on the **account** while any amounts due to us remain unpaid.
- 13.13 We or other members of the **Lloyds Banking Group** may, where **regulatory requirements** allow, receive or retain rebates, commissions or other benefits relating to **investments** and you consent to us recovering such amounts. We will provide you with further details about such arrangements as they relate to a particular **deal** or **service** before providing you with such **deal** or **service** and afterwards on request.

### 14. Information about your account

#### Market information

- 14.1 We may send you **market information** and **market** analysis but where we do so this will not constitute investment advice and any decision to **deal** in **investments** rests with you.
- 14.2 We may make **market information** available to you as part of the **services** provided through our **online service**. Such **market information** is for your own personal use. You must not pass the **market information** on to anyone else or use it for any commercial or unlawful purpose. If you think that someone has used **market information** without our permission, you must notify us straight away.
- 14.3 If we provide **market information**, we use sources we believe to be reliable. If we use an independent information provider to provide **market** information, we will use all reasonable care and skill to choose that provider. But, because we and any provider may have limited or no control over the information sources, we cannot promise that the **market information** is accurate, complete, timely or in the right **order**. You must satisfy yourself that **market information** is reliable before you make any decisions or take any actions based upon it.

14.4 We are not responsible for any decision or action that you take or any loss that you or anybody else may suffer as a result of a decision or action taken on the basis of **market** information provided by us.

14.5 We cannot promise that the **market information** will always be available to you.

#### **Trade confirmations, valuations and statements**

14.6 If you have registered to use our **online service**:

- (a) as soon as is reasonably practicable following a **deal**, we will send you an email stating that an online **trade confirmation** is available on the secure area of our **online service**. If you do not receive an email from us, you should not repeat your **order**, instead you should check the details of your **deal** through our secure **online service**: clicking on the **deal** reference number will display the **trade confirmation** details. You can also contact us for further information;
- (b) details of the **investments** and **client money** we hold for you will be available on the secure area of our **online service**. This will show the value of your **investments** and **client money** and the basis on which that value has been calculated. The valuation of your **investments** during the **dealing period** will be the current **market** price, delayed by 15 minutes. If you are viewing your valuation after the end of one **dealing period** and before the next **dealing period** has begun, it will be based on the **market** prices taken as at the close of business on the preceding **dealing period**;
- (c) all information relating to your **deal(s)** such as any **subscription plan** or **investment plan** will be available on the secure area of our **online service**;
- (d) we will provide you with a statement and valuation of **investments** and **client money** held in your **account** at least quarterly within the secure area of our **online service**. We will send an email to the email address registered with the **account** to tell you the statement is available. The statement will show the value of **investments** and the basis on which that value has been calculated. If you would like an additional statement at any time, please contact us to arrange this We may make a **charge** to cover the costs to us of providing additional statements;
- (e) we will provide you with a statement of all **costs** and **charges** you have paid on an annual basis, within the secure area of our **online service**; and
- (f) except in relation to an **ISA**, a **Consolidated Tax Certificate** ("**CTC**") detailing the amount of any **income** received in the preceding **tax year** and any associated tax credit will be available to you on the secure area of our **online service**. It is your responsibility to keep a copy of your **CTC**. Requests for a duplicate **CTC** may incur a **charge** and may not be available if the original **CTC** is more than six **tax years** old.

14.7 If you wish to receive paper **trade confirmations** and/ or paper valuations and statements after you have

registered to use our **online service** you will need to contact us to arrange this. We may make a **charge** to cover the costs to us of providing this.

14.8 Where you are not registered to use our **online service** or if we are unable to provide you with the relevant information online or by email:

- (a) we will send you a paper **trade confirmation** by close of business on the **working day** following your **deal**. If you do not receive a **trade confirmation** you should not repeat your instruction. Instead, you should contact us for more information;
- (b) we will send you a paper statement and valuation of **investments** and **client money** held in your **account** at least quarterly. This will show the value of **investments** and the basis on which that value has been calculated. If you would like an additional statement at any time, please contact us to arrange this. We may make a **charge** to cover the costs to us of providing additional statements;
- (c) we will send you a statement of all **costs** and **charges** you have paid on an annual basis.
- (d) except in relation to an **ISA**, after the end of each **tax year** we will send you a **CTC** detailing the amount of any **income** received in the preceding **tax year** and any associated tax credit that will be available to you. It is your responsibility to keep a copy of your **CTC**. Requests for a duplicate **CTC** may incur a **charge** and may not be available if the original **CTC** is more than six **tax years** old.

#### **Correcting errors**

14.9 If we make a mistake when we carry out your instructions to execute a **deal** we may provide you with or send you a **trade confirmation** that shows our mistake. When we have corrected our mistake, we will provide you with or send you a **trade confirmation** that will show the steps we have taken to correct the mistake. If you suspect an error has been made on your **account** you must contact us immediately in order for us to investigate.

#### **Communications between you and us**

14.10 You should keep a note of the date on which you post documents to us and of any cheque or certificate numbers to help with any enquiries that may arise. We will use reasonable care when sending documents or confirmation to you, but we are not responsible for any loss, delay, alteration or corruption of such information or documents that is outside our reasonable control.

14.11 If you have registered to use our **online service**, we will ordinarily send all written notices and other communications to you by email to the latest email address that you have given us. Emails will be treated as arriving immediately upon sending by us. In circumstances where we have been unable to send an email we reserve the right to send such notices by post in accordance with Condition 14.12.

14.12 Where you have not registered to use our **online service** or we cannot send you an email, we will send all written notices and other communications to the postal address

that you gave us when you applied for your **account** or the latest postal address that you have given us. Such notices and confirmations will be treated as arriving 72 hours after posting (if sent to an address in the UK) or ten days after posting (if sent abroad).

- 14.13 If you change your name, address, email address or other contact details, you must contact us by telephone or write to us straight away. If you have not told us about a change of contact details and we send a notice to the latest details that you have given us, it will be effective. If you are registered for our **online service**, you should make sure that the arrangements for receiving emails at your address are safe and that you can receive email from us. We may also accept changes to your contact details such as your email address and telephone number that you inform us about through our **online service**.
- 14.14 If we receive returned mail we may restrict your **account** which may prevent trades being placed including **regular investments** and dividend reinvestment.
- #### Recording communications
- 14.15 We may record, retain and/or monitor telephone calls or other communications for the purposes of training, checking instructions, verifying your identity and ensuring that we are meeting our **service** standards and **regulatory requirements**. These records may be used as evidence if there is a dispute.
- 14.16 Telephone calls or conversations that result or may result in a **deal** being placed will be recorded. You may request a copy of the recording for up to five years from the date it is made or up to seven years where the **FCA** tell us to keep it for that period.

## 15. Complaints and compensation

- 15.1 If you have a complaint about your **account** or would like details of our complaints procedures, please call us, on **03457 22 55 25**, talk to us online at **www.halifax.co.uk/investing/help-and-guidance/contact-us** or write to the Customer Services Manager, Halifax Share Dealing Limited, Lovell Park Road, Leeds LS1 1NS in the first instance.
- 15.2 We will investigate your complaint in accordance with the **regulatory requirements**. If we cannot resolve your complaint to your satisfaction, you may have a right to complain directly to the Financial Ombudsman Service or take civil action. Further information can be obtained by writing to The Financial Ombudsman Service at Exchange Tower, London E14 9SR or by visiting **www.financial-ombudsman.org.uk/consumers/how-to-complain** or by telephone on **0800 023 4567**.
- 15.3 We are a participant in the UK Financial Services Compensation Scheme ("**FSCS**"). As you have been categorised as a retail client, you may be able to make a claim on this scheme if we default in our obligations to you. Compensation of up to 100% of the first £85,000 of **assets** held is available to eligible claimants. If you ask, we will send you a summary of your rights under the **FSCS**. Further information can also be obtained from the **FSCS**.

## 16. Changing this agreement and termination

- 16.1 You may terminate this **agreement** and/or close an **account** at any time by giving us notice in writing or by telephone. Any **costs and charges** or fees incurred by you before termination remain your responsibility.
- 16.2 We may, at our discretion, end this **agreement** and/or close any **account** at any time by giving one month's notice to you.
- 16.3 We can end this **agreement**, freeze your **account** and/or stop providing the **service** immediately without notice to you:
- (a) where we reasonably believe that to do otherwise could cause us to break **regulatory requirements**;
  - (b) in the circumstances set out in Condition 6.26; or
  - (c) where you have materially breached this **agreement**.
- We will not be responsible for any loss which you may suffer as a result of this.
- 16.4 Where your **account** does not hold any **assets** and has not been used for a period of 12 months or more, we reserve the right to treat your **account** as inactive and refrain from sending you any correspondence, documentation or marketing literature.
- 16.5 Where your **account** does not hold any **assets** and has not been used for a period of 12 months or more, we reserve the right to close your **account**.
- 16.6 If we or you terminate this **agreement** or close an **account**, you must tell us whether you want us to:
- (a) sell the **investments** and pay to you the net sale proceeds and any other **client money** that we are holding for you (less any **costs and charges** and other money you owe us); or
  - (b) transfer **investments** (less any **costs and charges** or other money that you owe us) and (if your **account** is an **ISA**) any **client money** we are holding for you to another provider.
- If you do not tell us what you want us to do we may sell your **investments**, for example to ensure that we do not breach **regulatory requirements**.
- 16.7 Unless we have terminated this **agreement** or closed your **account** or you are exercising your right to terminate under Condition 16.1, **costs and charges** may apply for the transfer. Please see our **website** for details.
- 16.8 If we have accepted an **order** before termination to carry out a **deal**, we will carry out and **settle** that **deal** in line with this **agreement** unless we have a valid reason not to do so, including but not limited to, being prevented under **regulatory requirements** or where **market** conditions make it impractical.
- 16.9 This **agreement** will remain in place until we have transferred all **assets** to you, but only in respect of our holding of any **assets** for you in the meantime or receiving any **income** due to you in respect of **assets** held by you before termination.

16.10 On termination, you will be liable for our **costs and charges** pro rata to the date of termination and any expenses or losses necessarily incurred by us or our behalf in order to conclude outstanding transactions.

#### **Our rights to change this agreement**

- 16.11 We may change the terms of this **agreement** at any time where:
- (a) we reasonably consider that the change would not be to your disadvantage;
  - (b) the change is as a result of a regulatory requirement;
  - (c) the change is an increase to our **costs and charges** to respond proportionately to cost increases associated with providing the **service** and/or **accounts**;
  - (d) the change is to take account of, in a proportionate manner, changes in technology, the systems we use to provide the **service**, or the **investment** and financial systems;
  - (e) the change would make this **agreement** easier to understand or fairer to you; or
  - (f) to improve the **service** or to introduce a new **service**.
- 16.12 We may also change the terms of this **agreement** at any time for any other valid reason not specified in Condition 16.11.
- 16.13 Unless **regulatory requirements** prevent us from doing so, we will give you prior notice of any change to this **agreement**. The notice will tell you what the change that we are making is, the reason for the change and the date on which the change will come into effect. Unless the change is in your favour or is neutral we will give you at least 30 days' written notice.
- 16.14 If you are not willing to accept a change we make to this **agreement**, you may choose to terminate this **agreement** before the change comes into effect. If the change is not for one of the reasons given in Condition 16.11, we will agree to waive any **costs and charges** that would normally apply on termination.
- 16.15 If we have accepted your instructions to carry out a **deal** before we give this notice, we will carry out and **settle** that **deal** in line with the **terms and conditions** before the change is made, unless the **deal** is a **scheduled investment** or a **TradePlan order**.
- #### **What happens if you die?**
- 16.16 On your death, we will continue to hold your **investments** and we will hold any **client money** held in your **account**. Unless you are a joint **account** holder, we will follow the instructions of your personal representatives, who will be bound by this legal **agreement**, if we receive proof of their authority. If you are a joint **account** holder, Condition 5.10(d) will apply.
- 16.17 When we have received evidence of your death that is satisfactory to us, and we are asked to do so by your personal representatives or any other person entitled to the **investments** in your **account**, we will sell those **investments** and pay the proceeds and any other cash in your **account** (less any money owed to us) to them once we have verified their identity. Alternatively, if your personal representatives or any other person entitled to the **investments** in your **account** ask us to

register them in the name of another person or people, we will do this once we have been able to verify the identity of both the person making the request and such person or people nominated (less any money owed to us). Your **account** will then be closed.

- 16.18 Until we sell the **investments**, they will be subject to daily price movements as normal. When we know who your personal representatives are and have proof of their authority, we will tell them the value of the **investments** and cash in your **account** on the date of your death.
- 16.19 We will stop collecting any **scheduled subscriptions** or making **regular investments** or **DRIPS** once we are notified of your death.
- 16.20 If you have an **ISA**, Condition 21.9 sets out additional requirements that apply when you die.

## **17. Our liability, governing law, regulation and tax reporting**

- 17.1 We can employ agents on such terms as we reasonably think fit and we can delegate any of our functions under this **agreement**. We will satisfy ourselves that any person to whom we delegate any functions or responsibilities under this **agreement** is competent to carry out those functions and responsibilities. We remain responsible under this **agreement** for any functions we delegate to another person (except for third party custodians to whom we delegate under Condition 10.7, in respect of which we are liable only as set out in Condition 10.7).
- 17.2 If we cannot perform any of our **services** under these **terms and conditions** due to circumstances beyond our reasonable control, then we will take all reasonable steps to bring those circumstances to an end, but we will not be liable for our non-performance.
- 17.3 We are not liable to you for any losses unless directly caused by our negligence, wilful default or fraud.
- 17.4 We are not liable to you for any losses:
- (a) arising from any cause beyond our reasonable control;
  - (b) which we could not reasonably have anticipated when you gave us an instruction; or
  - (c) in relation to any loss of business, loss of goodwill, loss of opportunity or loss of profit.
- 17.5 We will not be liable to you for any act or omission by us which we reasonably believe to be necessary to avoid us breaking **regulatory requirements**.
- 17.6 Nothing in this **agreement** excludes or restricts any liability which we may have to you under the **regulatory requirements** or any liability that **regulatory requirements** do not allow to be excluded or restricted.
- 17.7 This **agreement** is governed by English law and you and we submit to the non-exclusive jurisdiction of the Courts of England and Wales.
- 17.8 All communication between us in connection with this **agreement**, either oral or written, will be in the English language.



## Conflicts of interest

17.9 Your attention is drawn to the fact that there may be limited circumstances in which a conflict exists between your interests and those of us or our other clients. To mitigate and control these conflicts we have drawn up a conflict of interest policy. A summary of this document is provided separately, although you may request a copy of the full policy at any time by contacting us.

### Tax reporting and withholding for customers subject to the tax regime of certain other countries (including the USA)

17.10 We (or other companies in the **Lloyds Banking Group**) may be required by legislation or by agreement with tax authorities to report certain information about you and your relationship with us, including information about your **accounts**:

- (a) to the tax authorities in the UK, which may then pass that information to the tax authorities in another country where you may be subject to tax; or
- (b) directly to the tax authorities in other countries (such as the USA) where we reasonably think or are required to presume you are subject to tax.

17.11 If we are required to report information about you or your relationship with us (or both), including information about your **accounts**, this information includes the **account** number, the amount of interest paid or credited to the **account**, the **account** balance or value, your name, address, country of residence, and social security number or taxpayer identification number.

17.12 In addition, we may need you to give us further information, documents or certifications about your identity, tax residence and US Citizenship status.

17.13 If we are required to report information about your **accounts**, you agree that:

- (a) you will provide additional information and documents we need from you and that confidentiality rights under relevant data protection, bank secrecy or similar laws will not apply to information we report or obtain from you to meet our obligations;
- (b) if you do not provide us with information or documents we need, we may (i) apply a withholding tax to amounts, including interest, we pay to you; or (ii) close your **account**; or (iii) transfer your **account** to an affiliate in another jurisdiction; and
- (c) we will not be liable to you for any loss you may suffer as a result of our complying with legislation or agreements with tax authorities in accordance with this condition, unless that loss is caused by our gross negligence, wilful default or fraud.

## 18. TradePlan

18.1 **TradePlan** is a feature of the **service** which allows you to give us certain types of standing instructions about how to **deal** in relation to your **account**. These standing instructions can be **limit orders**, **stop loss orders**, **price locking**, **range trading**, and/or **target setting** as explained below. These are called "**TradePlan orders**".

Whenever you give us a **TradePlan order**, this Condition 18 will apply to that **order**. **TradePlan orders** are executed by us in accordance with Condition 8.18.

18.2 **Costs and charges** apply to **TradePlan**. These are detailed in the Charging Schedule.

### Limit orders

18.3 A **limit order** is an **order** that you give us that sets a price above which you will not buy or below which you will not sell **investments**. This price is called the "**limit price**".

18.4 We will execute your **limit order** at the price that is available in the **market** when:

- (a) in relation to an **order** to buy **investments**, the price in the **market** for that **order** size is equal to or lower than the **limit price**; or
- (b) in relation to an **order** to sell **investments**, the price in the **market** for that **order** size is equal to or higher than the **limit price**.

18.5 When you ask us to place a **limit order** you agree that we will not make the details of such **limit order** publicly available.

### Range trading

18.6 This is where you give us two **limit orders**, one to buy **investments** at or below one **limit price**, and one to later sell the same **investments** at or above a different **limit price** (or vice versa).

### Stop loss orders

18.7 A stop loss **order** is an **order** to sell an investment when the price in the **market** is less than or equal to a price you specify (the "stop price"). The **order** will be executed at the best available price in the **market** for that **order** size.

### Price locking

18.8 This is where you give us a stop loss **order** where the stop price tracks the price in the **market** of an **investment**.

18.9 If the **market** price does not meet or fall below your stop price during a **dealing period** then the stop price will be automatically revised upwards based on the closing **market** price and the parameters you set with us when placing the **order**. If the **market** price does meet or fall below the stop price during a **dealing period** then the **order** will be executed;

### Target setting

18.10 This is a **limit order** to sell **investments** at a **limit price** higher than the current **market** price and a stop loss **order** to sell **investments** at a stop price lower than the current **market** price. If one of these **orders** is executed then the other **order** will be cancelled.

### “Sell all” orders

18.11 An **order** to “**sell all**” will result in all of the specified **investments** owned in your **account** at the time we execute the **order** being sold. This type of **order** will take into account any pending order for the same **investment** regardless of order type and take into account any withdrawals or deposits since the original **order** was placed.

### Placing and cancelling TradePlan orders

18.12 Subject to Condition 18.25, **TradePlan orders** can be placed on all CREST eligible UK **investments** which are quoted in Pounds Sterling.

18.13 A **TradePlan order** will remain in place until it is executed, expires, or is amended or cancelled by you or us.

18.14 A **TradePlan order** may be amended or cancelled by you, as long as the **order** has not been carried out or is not in the process of being executed.

18.15 You are able to give us a **TradePlan order** that will automatically expire at the close of a **dealing period** on any **working day** up to 90 calendar days in the future.

18.16 Placing subsequent **TradePlan orders** will not replace or cancel previous **TradePlan orders**. If multiple trade plan **orders** are placed, the **order** will be carried out at the first available price.

18.17 At the end of each **dealing period** we may perform a check of available **investments** in your **account** against pending **TradePlan orders**. If insufficient **investments** are available to satisfy a future sale, we may cancel the **TradePlan**. Additionally, if the specified **TradePlan** price is met and insufficient **investments** are available to satisfy a sale or insufficient funds available to satisfy a purchase, we may cancel the **TradePlan**.

18.18 If you place a **TradePlan order** and the **investment** on your **account** is subsequently suspended from **trading**, we reserve the right to cancel or amend that **order**.

### Executing TradePlan orders

18.19 All **TradePlan orders** will be treated as individual **orders** unless they are a range trade or a **target setting order**.

18.20 A **limit order** may be partially executed where the applicable **limit price** is met, in which case you will not be able to cancel the part of the **order** which has been executed.

18.21 It is your responsibility to verify whether a **TradePlan order** has been carried out and, if it has not, whether you require a new **order** to be placed

18.22 When we accept your **TradePlan order**, we will use all reasonable endeavours to execute that **order** and will generally carry out all **orders** in relation to that **investment** at the relevant price in order by reference to the time we received those **orders**.

18.23 **TradePlan orders** are designed to be executed when the **market** price of an **investment** meets, falls below or rises above a specified price. However, we cannot guarantee that the relevant **deal** will be executed at

that exact price. For example, the **market** price of the **investment** may have moved in the period between the specified price being met and the **order** actually being executed. This may mean that the **order** is executed at a different price to the specified price. In certain **market** conditions, the price difference could be significant. In addition, specific events may cause the **market** price of an **investment** to move quickly to an unusually high or low price, which may cause your **order** to execute at that unusual price. You must be willing to accept these risks before giving us a **TradePlan order**. So long as we have carried out your **TradePlan order** in accordance with this **agreement**, we will not be liable to you for any loss caused by these **market** events.

18.24 If you place a **TradePlan order** and the **investment** is then subject to a **corporate action**, our standard practice is to execute **orders** when your specified price is met, even if the **corporate action** affects the **market** price either technically (for example through a restructure) or because of **market** movements as a result of that **corporate action**. However, if we think it is in your best interests and reasonably appropriate, we reserve the right to cancel, amend or otherwise intervene in such **orders**. We will use reasonable efforts to contact you where this is the case.

18.25 We reserve the right not to offer a **TradePlan** or to withdraw the **TradePlan** facility on certain types of **investments** or **accounts**.

18.26 We will not be liable for any failure to execute a **TradePlan order** for technical or operational reasons (including allowing for **market** stabilisation, and auction periods), except where this is caused by our negligence.

## 19. Regular investments and subscriptions

19.1 **Regular investments** are a feature of the **service** that allows you to place a standing instruction to fund your **account** and/or purchase particular **investments** on one or a number of pre-defined dates each month. **Regular investments** are executed by us in accordance with Condition 8.18.

### Funding regular subscriptions and your subscription plan

19.2 If you set up **regular subscriptions** we will automatically collect **regular subscription** payments from your **nominated bank account** according to the schedule agreed by you and us through the **online service** or the **telephone service** (a “**scheduled subscription**”). The timetable for your **scheduled subscriptions** is called a “**subscription plan**”.

19.3 Where you are funding your **account** using a debit card, we will usually request funds from your **nominated bank account** on the day specified in your **subscription plan**, or, if it is not a **working day**, the next **working day**. If you have set up Direct Debit instructions, we will usually request funds from your **nominated bank account** at least two **working days** before the day specified in your **subscription plan**.

### **Making regular investments and your investment plan**

- 19.4 A **regular investment plan** allows you to set up a standing **order** to purchase a pre-determined value of **investments** on one or a series of defined days (a "**scheduled investment**"). The timetable for your **scheduled investments** is called an "**investment plan**".
- 19.5 You can change your instructions in relation to a **scheduled investment** at any time before the **working day** on which the **deal** is due to take place.
- 19.6 Where your **scheduled investment** includes an **order** to invest a percentage amount rather than a specific value, such percentage will be calculated using all **tradable funds** within your **account** on the day we process your **deal** and may not be limited to the value of your **scheduled subscription**.
- 19.7 If we **deal** on the basis of a **scheduled investment**, we will begin processing your **order** on the day specified in your **investment plan** or, if it is not a **working day**, the next **working day**. However, we cannot guarantee the **deal** will be completed on that **working day**.
- 19.8 Except where Condition 19.9 applies, we will begin to process your **deal** on the relevant **working day** at a time of our choosing. Your **deal** will then be executed as soon as reasonably possible during the relevant **dealing period**.
- 19.9 If we reasonably think at the time it is in your best interests and appropriate (for example, because of unusual **market** conditions), we can delay a **scheduled investment** until such time as we think it is appropriate for us to **deal** on your behalf. If we delay a **scheduled investment**, this will be disclosed on our **website** or in an email sent to you. Provided that we have acted reasonably, we shall not be liable to you for any losses that you may incur as a result of the delay.
- 19.10 Once we know the price of the **investments** to be bought in accordance with your **scheduled investment**, we will calculate the number of **investments** to be allocated to you and allocate them to your **account** as soon as reasonably practicable after we have completed the relevant **deal**, in accordance with Condition 9.9.

## **20. Dividend Reinvestment Plan (DRIP)**

- 20.1 You can set up a **DRIP** by giving us your instruction using our **online service** or the **telephone service**. Once you have elected to participate in the **DRIP**, all future dividends on eligible **investments** in your **account** will be reinvested in the same **investment** under the **DRIP** until you cancel your instruction. If you have more than one **account**, you will need to give us separate instructions for each **account** if you want to set up a **DRIP** in respect of more than one **account**.
- 20.2 **DRIPs** are executed by us in accordance with Condition 8.18.
- 20.3 If your **account** has been frozen or restricted by us in accordance with this **agreement**, your **DRIP** instruction will not be carried out and any related **income** will be placed in your **account**.
- 20.4 The number of **investments** you will receive for each dividend that is reinvested will depend on:
- (a) the amount of your cash dividend, which is based on the number of existing **investments** of that type you hold at the relevant dividend record date multiplied by the dividend payment amount;
  - (b) the **market** price at which the new **investments** are bought; and
  - (c) the dealing costs and stamp duty reserve tax for the purchase of the new **investments**.
- 20.5 You will receive the maximum whole number of shares or fractions of a unit which can be bought on your behalf. We will not invest amounts less than £1 into Unit Trusts or OEICs. Any cash left over will be paid back into your **account**.
- 20.6 If your whole **investment** is sold before the dividend payment date, no reinvestment will take place and the whole of your dividend will be paid in cash to your **account**.
- 20.7 You can cancel the **DRIP** by giving an instruction using our **online service** or our **telephone service**.

## **21. Supplementary Conditions for ISAs**

- 21.1 The terms in this Condition 21 will apply to any **account** which is an **ISA**.
- ### **Opening and subscribing to an ISA**
- 21.2 You may apply for more than one **account**, for example for one **ISA** and another **account** that is not an **ISA**. In this case, the word "**account**" means each of those **accounts** and this **agreement** applies to each **account**. If you choose to open an **ISA** only, a share dealing **account** will automatically be opened.
- 21.3 In **order** to subscribe to your **ISA**:
- (a) you must not have subscribed to another stocks and shares **ISA** in the same **tax year**, unless you have transferred that **ISA** to us (unless Condition 21.9 applies);
  - (b) you must not have exceeded the overall subscription limit currently published by HM Revenue & Customs. The limit that applies is detailed in our **brochure** and **website**. These limits may vary in each **tax year** (unless Condition 21.9 applies); and
  - (c) you must meet the eligibility criteria in Condition 5.1 and continue to meet the residency qualification in Condition 5.1(c) at all times.
- 21.4 You agree to notify us immediately if you cease to meet the residency qualification in Condition 5.1(c).
- 21.5 Your **ISA** will be effective from the first date on which we have received both your **ISA application** and your first subscription.
- 21.6 You can make subscriptions to your **ISA** in the following ways:
- (a) as described in Condition 7.3;
  - (b) by cheque, in which case we may not accept any **orders to deal** from you until the cheque has cleared in accordance with Condition 7.3(c) above;

- (c) by transferring **investments** you hold in an approved Save As You Earn (“**SAVE**”) option **scheme**, or a Share Incentive Plan to us. Please see Conditions 21.22 to 21.25 for more details; or
- (d) by transferring other non-**ISA investments** to us. Please see Conditions 21.26 to 21.30 for more details.
- 21.7 Where you transfer **investments** into your **ISA**, there may be a minimum amount that we will accept. We will inform you of this at the time of your **application** or transfer in.
- 21.8 You can set up regular monthly subscriptions to your **ISA** if you choose. We will give you a choice of a limited number of collection dates. We will debit funds from your **nominated bank account** on the collection date you select (or, if that day is not a **working day**, the first **working day** after that day). If we agree, you can change the collection date for future subscriptions.
- If an ISA holder dies**
- 21.9 If you die, your spouse or civil partner can pay an amount up to the total value held in your **ISAs** into an **ISA** held in their own name. This amount is called an ‘**additional permitted subscription**’. Your spouse or civil partner will not be able to use an **additional permitted subscription** if you are separated at the time of your death.
- 21.10 If a spouse or civil partner dies before 6 April 2018, the **additional permitted subscription** will be the value held in their **ISAs** at the date of their death (including any accrued dividends, **income** or interest up until that date). If a spouse or civil partner dies on or after 6 April 2018, the **additional permitted subscription** can be either the value of their **ISAs** at the date of their death or the date the **ISA** is closed (including any accrued dividends, **income** or interest up until either date).
- 21.11 If a spouse or civil partner dies on or after 6th April 2018, their **ISA** can remain open for a maximum of three years after the date of their death. During this time, no additional money can be paid into the **ISA** and any money withdrawn (including any withdrawals made by the **account** holder before death) cannot be paid back in as a replacement subscription. Withdrawals can only be made by executors during this time for specific limited reasons.
- 21.12 Where there is a choice to take the value of the **additional permitted subscription** at date of death or the date the **ISA** is closed, the same choice must be applied to all **ISAs** held with the same provider. This means that the **additional permitted subscription** for these **ISAs** cannot be a mixture of the value on death of the **account** holder and the value at date of closure. If you choose to calculate the **additional permitted subscription** when the **ISAs** are closed, you will only be able to take advantage of your **additional permitted subscription** when all of the **ISAs** held with the same provider have been closed. You can ask for a different date (either the date of death or the **ISA** closure date) to be used for **ISAs** held with different providers. Once you have told a provider whether you will use the date of death or the **ISA** closure date, you cannot change your mind.
- 21.13 If a spouse or civil partner chooses to take the value of the deceased’s **ISA** when it is closed, the **additional permitted subscription** allowance will never be lower than the value of the **ISA** at the date of death (but it may be higher). But, if a spouse or civil partner chooses to take the value of the deceased’s **ISA** at the date of their death, this amount cannot be increased later.
- 21.14 Where a spouse or civil partner dies on or after 6th April 2018 and we receive notice to close their **ISA account**, we will transfer the stock and or cash held in the **account** as per the executor’s instructions. If we do not receive notice to close an **ISA** following the death of the **account** holder, the **account** will stop qualifying as an **ISA** 3 years from the date of death.
- 21.15 Non-cash **assets** (i.e. stocks and shares) can also be used as part of an **additional permitted subscription** where:
- The surviving spouse/civil partner has inherited, from their deceased spouse/civil partner, the **assets** which were held in the **ISA**; and
  - The **assets** were held in the **ISA** at the date the **ISA Manager** was notified of the death of the investor; and
  - Title has not moved from that **ISA manager** or their nominee; and
  - The surviving spouse/civil partner will retain the same **ISA manager** as the deceased.
- If any (or all) of these do not apply, the subscription must be made in cash. Transfer of the non-cash **assets** (i.e. an ‘in specie’ transfer) must be made within 180 days of beneficial ownership passing to the surviving spouse.
- 21.16 Additional permitted subscriptions do not count as part of your yearly **ISA** allowance. When the time comes to use your **additional permitted subscription**, you must pay it into your **ISA** within the time-limits set out in the **ISA** Regulations. We will tell you about these time-limits when you make an **additional permitted subscription**. You can pay some or all of an **additional permitted subscription** into your Stocks and Shares **ISA** by contacting us to request an **application** form or to transfer money from another internal **account**.
- Investments you can hold in your ISA**
- 21.17 Only **investments** meeting the requirements of the **ISA Regulations** can be held in your **ISA**. We reserve the right, acting reasonably, to decide whether an **investment** meets those requirements.
- 21.18 The **ISA investments** must be and remain in your beneficial ownership and must not be used as security for a loan.
- 21.19 Title to the **ISA investments** and cash held in your **ISA** will be registered in accordance with Condition 10. Share certificates and other documents evidencing title to **ISA investments** will be held by us as **ISA manager** or as we may direct.

- 21.20 If there are insufficient **available funds** in your **ISA** to support a **corporate action** and you have already reached your subscription limit for the **tax year**, you can obtain **available funds** by selling **investments** held in your **ISA** and use these funds to meet the amount that is due. For an **ISA**, you can subscribe additional funds to your **account** to meet the amount due, subject to the annual subscription limit for your **ISA**. We may (at our discretion) in **limited** circumstances, after receipt of a request by you, give you the option to take up the **corporate action** outside the **ISA**.
- 21.21 If, as a result of a **corporate action**, we receive **investments** which are not "qualifying **investments**" for a stocks and shares **ISA** under the **ISA** Regulations, we will transfer the **investments** directly to another **account** if you have one. Alternatively, we can arrange for you to be sent a certificate unless this is not possible due to the nature of the **investments**, or transfer the **investments** to another share dealing service provider. In certain circumstances we may offer you the option of selling the **investments** and retaining the sale proceeds in your **ISA**. We will notify you if this option is available to you. We may **charge** for these **services** as set out in the **Charging Schedule**.
- Subscribing from an approved employee savings scheme**
- 21.22 Provided the transfer meets the requirements of the **ISA Regulations**, you can transfer shares received under an approved Schedule 3 **SAYE** option scheme, or a Schedule 2 Share Incentive Plan into your **ISA** (Share Incentive Plans were previously known as Approved Employee Share Ownership Plans). The **market** value of the shares at the date of the transfer will count towards your subscription **limit** for the **tax year**.
- 21.23 In the case of a Schedule 3 **SAYE** option scheme, you must make the transfer within 90 days of your exercise of an option.
- 21.24 In the case of a Schedule 2 Share Incentive Plan, you must make the transfer within 90 days after the shares ceased to be subject to the plan.
- 21.25 You will need to arrange the transfer of these shares, but we will be ready to receive them as soon as reasonably practicable after we have received your instructions to do so and any necessary documentation we have asked you to complete is properly completed.
- Generation of a cash subscription by the disposal of existing investments**
- 21.26 We cannot accept **investments** other than shares from Schedule 3 **SAYE** option scheme or Schedule 2 Share Incentive Plan into your **ISA**.
- 21.27 However, you can transfer these **investments** to us and we will sell them for you and pay the proceeds into your **ISA** for you to use to buy new **investments** (in accordance with Condition 21.17). Alternatively, you can ask us to transfer the relevant **investments** into a non-**ISA**.
- 21.28 When giving us your existing **investments** to sell, the subscription date to the **ISA** will be treated as the dealing date of the sale. The value of the **investments** on that date will count towards your subscription **limit** for that **tax year**.
- 21.29 You must be solely and beneficially entitled to any **investments** that you transfer to us and they must be free of any **costs and charges**.
- 21.30 There are **costs and charges** for this transfer **service**, and you should be aware that you may incur other **costs and charges** such as liability for capital gains tax, as a result of the transfer. The value of your **investments** may fall during the period that the transfer is taking place. You will bear that **market risk**.
- Transferring an ISA from another ISA Manager**
- 21.31 We will accept a transfer of a cash **ISA**, stocks and shares **ISA**, lifetime **ISA** or innovative finance **ISA** held with another **ISA Manager** to us.
- 21.32 You should contact us in writing or by telephone and we will send you a transfer form to complete. Alternatively, you can download the transfer form from our **website**.
- 21.33 Once you have completed and returned the form we will contact your existing **ISA Manager** to arrange the transfer. Your **account** must be open before we can accept the transfer. The value of your **investments** may fall during the period that the transfer is taking place. You will bear that **market risk**.
- Transferring your ISA to another ISA Manager**
- 21.34 You can, at any time, transfer:
- all of your current **tax year's** subscriptions, the **investments** bought with those subscriptions, and any **income** arising on those **investments**; and/or
  - some or all of your previous **tax years'** subscriptions, the **investments** bought with those subscriptions, and any **income** arising on those **investments**.
- 21.35 You can do this by applying to the **ISA Manager** to whom you wish to make the transfer. They will provide you with a transfer form and will arrange the transfer with us. The value of your **investments** may fall during the period that the transfer is taking place. You will bear that **market risk**.
- 21.36 Where your **ISA** has been transferred to another **ISA Manager** and we receive dividends, interest or other **income** on your behalf, we will send this **income** to the new **ISA Manager** except where the amount is less than £50, when we will send this **income** directly to you.
- 21.37 If you ask us to transfer all of your previous and current years' subscriptions from your **ISA**, we will close your **ISA** as described at Condition 21.39 below.

## Withdrawals

- 21.38 You can make withdrawals from your **ISA** in the same ways as for any other **account**, save that the 'sell to withdraw' **service** is not available. However, withdrawing amounts will not increase your subscription limit, and you may not be able to pay amounts withdrawn back into your **ISA** within the same **tax year**.
- 21.39 You must maintain a valuation of at least £250 in your **ISA**. If you do not, we may close your **ISA** and return the amount in the **ISA** to you.
- ### Your ISA's tax status
- 21.40 Under the current law relating to tax relief for **ISAs**, we will manage your **ISA** so that it will be free from Capital Gains Tax. When these **terms and conditions** refer to tax relief, they mean the tax relief that applies at the date of publication of these **terms and conditions** in the UK. Tax relief could change in the future. If the tax relief that applies to **ISAs** changes, your **ISA** will continue but it will be affected by that change. We do not claim relief on tax levied outside the UK.
- 21.41 If you wish to buy U.S. listed shares that may pay U.S. sourced **income**, such as dividends, we require you to complete certain documents in **order** to satisfy U.S. tax authority requirements. Once we have these documents we can apply a reduced withholding tax rate instead of the usual rate applied to your U.S. sourced **income**, depending on your circumstances. For details of the prevailing withholding tax rates see our **website**. For UK listed shares paying U.S. sourced **income**, no reduced withholding tax rate is applied even if you have certain documents in place. The document is valid for three calendar years following the year in which you sign it, unless your personal circumstances change. You must let us know within 30 days if this happens. We may contact you when your form is due to expire.
- 21.42 For deaths before 6th April 2018, any **ISA** tax exempt status will end on your date of death. For deaths on or after 6th April 2018, the **ISA** tax efficient status can continue until the earliest of your **account** being closed, the date the administration of your estate is completed or three years from the date of your death. If you are married or in a civil partnership and you have not separated from your spouse or civil partner as at the date of your death, it is possible for you to leave the **investments** in your **ISA** to your spouse or civil partner in a way which allows them to continue to benefit from the favourable tax treatment of your **ISA**. In these circumstances and provided the requirements of the **ISA Regulations** are met, your spouse or civil partner will then be entitled, if they wish, to transfer the **investments** in your **ISA** into an **ISA** in their own name rather than having to subscribe by way of cash for their **additional permitted subscription**.
- ### Communication with HM Revenue & Customs
- 21.43 We will give HM Revenue & Customs information about your **ISA** as required by **regulatory requirements**.
- 21.44 If we have passed any tax to you that you are not entitled to, we can deduct this amount from your **ISA** and repay HM Revenue & Customs.
- 21.45 Where we are required (where applicable) to account to HM Revenue & Customs for any tax arising from any dividends, interest payments and cash entitlements paid on **investments** in your **ISA**, you authorise us to collect this tax out of any cash that we hold for you in your **ISA** or, if you do not hold sufficient cash, by selling **investments** from your **ISA**.
- ### Void ISAs
- 21.46 Under the **ISA Regulations**, we must notify you if, by any reason of any failure to satisfy the provisions of the **ISA Regulations**, an **ISA** has or will become void and will no longer benefit from the tax relief that applies to **ISAs**. We will tell you to contact your HM Revenue & Customs office with details of your potentially void **ISA**. Alternatively, HM Revenue & Customs may tell us that your **ISA** is void. In some circumstances we may be able to allow your **ISA** to continue, but there may be a **charge** for this.
- ### Delegating our functions as ISA Manager
- 21.47 We may delegate any of our functions or responsibilities as **ISA Manager** in accordance with Condition 17.1.
- ### Closing your ISA
- 21.48 You can close your **ISA** as set out in Condition 16.1.
- 21.49 We can close your **ISA** as set out in Condition 16.2 or 16.3 or if:
- under the **ISA Regulations**, your **ISA** becomes void, or we are required to close it by HM Revenue and Customs;
  - the value of your **ISA** falls below £250 we have notified you and you have not made any further subscriptions within 60 days of that notification; or
  - if our appointment as **ISA Manager** is ended for whatever reason, we have given you at least 30 calendar days' notice that we intend to end your **ISA** and of your right to transfer your **ISA** to another **ISA Manager**, and you have not so transferred your **ISA** within 60 days of that notification.
- 21.50 If we or you close your **ISA**, we will give you certain options. **Costs and charges** may apply, please see our **website** for details. We will on your instructions and within the time limit stipulated by you in your instructions either:
- (subject to a reasonable business period not exceeding 30 calendar days for the practical implementation of your instructions by us), transfer the **ISA investments** and cash (less any **costs and charges** or other amounts you owe us) with all rights and obligations direct to another **ISA Manager** as described at Conditions 21.34 to 21.37 above;

- (b) sell the **investments** held in the **ISA** and pay to your **nominated bank account** the net sale proceeds arising from those **investments** and any other cash we were holding for you in the **ISA** (less any **costs and charges** and other money that you owe us); or
- (c) transfer **investments** direct to a non-**ISA** or another non-**ISA** service provider as you direct, or, at your request we will arrange for you to be sent a certificate in your name for those **investments** unless this is not possible due to the nature of those **investments**. We will pay any cash that we are holding for you into your **nominated bank account**.

# Do you need extra help?

If you'd like this in Braille, large print, audio or another format please contact us.

If you have a hearing or speech impairment you can contact us via Textphone on **0345 732 3436** (lines are open 9am to 5.30pm, 7 days a week). If you're deaf and a BSL user, you can use the SignVideo service at [halifax.co.uk/accessibility/signvideo](http://halifax.co.uk/accessibility/signvideo)

## Our promise

Our promise is to do our best to resolve any problem you have immediately. Where we can't, we'll ensure you know who is dealing with your complaint. To complain:

## If you're still not happy

If you're still not happy and we can't put things right to your satisfaction, you can ask the Financial Ombudsman Service to look at your complaint – provided you have tried to resolve the matter directly with us first. We hope you won't need to contact the Financial Ombudsman Service but if you do, we'll tell you how to do this.

**By telephone:** call us on **03457 22 55 25**.

**By Textphone:** if you have a hearing impairment, call us on **0345 604 2543**.

**By post:** write to us at Halifax Share Dealing, Lovell Park Road, Leeds LS1 1NS.

**By Web chat:** at [www.halifaxsharedealing.co.uk/online](http://www.halifaxsharedealing.co.uk/online) once you're signed into your account.

Telephone calls may be monitored or recorded.

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All the information in this brochure was correct when it was printed (November 2020)

