



**Stocks & Shares
Junior
Individual Savings Accounts**

Terms and Conditions

Important Information

These are the Terms for your Stocks & Shares Junior Individual Savings Account (JISA) with us. You are advised to read them carefully. The terms of the Application Form and Key Features Document (KFD) also form part of these Terms.

These Terms amend the terms of any agreement which we previously entered into with you in respect of the Account.

1 Definitions

In these terms:

“**Account**” means the Stocks & Shares Junior Individual Savings Account (JISA) opened in accordance with these Terms, KFD, your Application Form and the Regulations;

“**Account Investments**” means the stocks, shares and cash held within the Account;

“**Account Manager**”, “**we**”, “**us**” or “**our**” means Balkerne Asset Management;

“**Administrative Office**” means 1 Balkerne Hill, Colchester, Essex CO3 3FG;

“**Application Form**” means the duly completed application form with which the Account was opened or such other document or method of application as is acceptable to us;

“**Bank Account**” means an account held with NatWest Bank Plc, administered by the Account Manager, into which cash subscribed will be deposited;

“**Business Day**” means any day on which we are open for business;

“**Cash Account**” means the component of the Stocks & Shares JISA, which comprises cash deposits in a Bank Account;

“**Client Money Regulations**” means the Financial Services (Client Money) Regulations 1991 as amended or replaced from time to time;

“**Effective Date**” means the date upon which we receive and accept both your Application Form and initial Subscription or, in respect of an application other than in writing, the date on which we receive and accept your initial Subscription;

“**FSA**” means the Financial Services Authority or its successor organisation;

“**HM Revenue & Customs**” means Her Majesty’s Revenue & Customs.

“**Receipts**” means any cash balance, income payments, interest and tax reclaims held on the child’s behalf in the Account;

“**Regulations**” means the Individual Savings Account Regulations 2008 as amended or replaced from time to time and any other applicable statutes and regulations;

“**Rules**” means the rules of the Financial Services Authority or any self-regulating organisation acting within the scope of the Financial Services Act 1986 as amended or replaced from time to time in so far as the same apply to the Account;

“**Subscription**” means any amount received from you (or from another account manager on your behalf) in connection with your investment in the Account;

“**Tax Year**” means a year beginning on 6 April and ending on the following 5 April;

“**Terms**” means these Terms and Conditions;

“**You**” or “**your**” means the person whose name address and other particulars appear in the relevant Application Form as the “registered contact”. The Terms are agreed between the account manager and the registered contact on behalf of the eligible child. At all times the underlying assets will be beneficially owned by the eligible child

“**The Child**” means the eligible child as defined in the Key Features Document.

2 Commencement

These Terms set out the detail of an agreement between you and us, or in relation to the Cash Account (if any), between you and us and the Bank, in respect of the Account. Such agreement will come into force on the Effective Date. We reserve the right to reject an application.

3 Appointment

3.1 You appoint us as the Discretionary Account Manager for the Account with authority to manage it in accordance with these Terms, the KFD, your Application Form and the Regulations.

3.2 You authorise us to undertake any functions required of an Account Manager under the Regulations on your behalf and to comply with any other legislation or regulation or Government publication which may affect, or be in any way connected with, the Account now or in the future.

3.3 You authorise us to apply to HM Revenue & Customs to claim tax credits on dividends or other income in regard to the Account and to make any other claims for the repayment of, or credit against, tax in respect of the Account and we will credit such amounts received to the Account. Such claims for payment of tax credits will be made by us in accordance with the Regulations and, on receipt, will be reinvested into the Account.

4 Delegation

4.1 Subject to the Rules and Regulations, we may delegate any of our functions or responsibilities under these Terms to any person provided that before doing so we satisfy ourselves that such person is competent to carry out those functions or responsibilities.

4.2 We may appoint an Associated Company duly authorised to act as such to be manager of the Account in our place. In such circumstances, that Associate Company will manage the Account in accordance with these terms.

5 Cancellation

Cancellation rights do not apply.

6 Material Interests

We may without prior reference to you (and without having to account to you for any benefit received as a result) carry out any transaction for the Account even though:

6.1 A conflict may arise between our direct or indirect interest or that of any of our customers and our duty to you; or

6.2 We act for more than one investor (including you) collectively.

7 Notices

7.1 All notices and instructions and any other documents relating to these Terms must be sent to us at our Administrative Office.

7.2 We will send you all statements, notices and other documents relating to these Terms to your most recent address notified to us. They will be deemed to be received by you on the fifth Business Day after posting.

7.3 You will promptly advise us of any change in any of the information we hold in respect of the Account. You must immediately inform us in the event of the child ceasing to be eligible under the Regulations to subscribe to or hold their Account. No further contributions will be accepted to the Account if the child ceases to be eligible in this way.

8 Management

8.1 The Account is subject to our minimum subscription limit and the maximum subscription limit applicable from time to time under the Regulations. The minimum subscription limit is indicated on the Application Form and in the current Key Features Document. We will apply your Subscriptions in acquiring Account Investments in accordance with the instructions contained in your Application Form.

8.2 Investments held within the Account are restricted to Account Investments.

- 8.3 Subject to compliance with the Rules and the Client Money Regulations, receipts and other monies pending investment will be deposited as client money in a client account with the Bank. We will not be liable for any default of the Bank. Except as stated in Clauses 3 and 13, interest derived from monies deposited in such account for you will be credited to the Stocks & Shares Account net and will be added to the monies to be invested in Shares.
- 8.4 Interest will be paid as a gross amount in respect of the Cash Account. In respect of the Stocks and Shares Account, in accordance with the Regulations, we are required to deduct and pay to HM Revenue & Customs an amount representing lower rate income tax in respect of interest paid or credited to the Stocks and Shares Account. The net amount of such interest shall be credited to the Stocks and Shares Account quarterly in March, June, September and December.
- 8.5 We may retain within the Account a cash balance, which we may utilise in acquiring Shares for the Account.
- 8.6 We or any Associated Company may aggregate any transaction for you with those of other investors although this may result in a less favourable transaction price than might have been achieved had the transaction been effected separately.
- 8.7 You may not create any security over, or transfer your rights in, the Account Investments.

9 Custody

The child will be the beneficial owner of the Account Investments. However, any stocks, shares or any other investment in the Account will be registered in the name Balkerne Asset Management, the name of our nominee (Balkerne Nominees Ltd), or jointly in one of these and the child or registered contact. Documents of title (if any) will be held by us or as we direct and will not be lent to a third party or used as security for borrowings. You may not agree or undertake to transfer beneficial ownership of the Account Investment to another person(s). You may not use the Account as security for a loan.

- 9.1 If you so request in writing, we will arrange for you to receive a copy of the annual report and accounts issued by every Company or other concern in respect of shares, securities or units which are held directly in the Account. A charge will be made for this service.
- 9.2 If you so request in writing, we will arrange for you to attend and vote at Shareholders, Securities holders or Unit holders. A charge will be made for this service.
- 9.3 In the absence of any specific instruction we may, subject to the Rules, make arrangements when appropriate, to exercise the voting rights of the Account Investments at our discretion.

10 Investment Objectives and Restrictions

- 10.1 Our policy is to invest in Stocks and Shares, UK blue-chip equities, fixed-interest/bond investments, collective investments and other securities.
- 10.2 Subject to any restrictions in the Regulations we will have absolute discretion to use the receipts in the Account to acquire Shares which will then be added to the Account.
- 10.3 We will act as an intermediary in making arrangements for the purchase of Shares for the Account.

11 Charges

- 11.1 The charges which apply to the Account are those which (subject to any other provisions of these Terms) are disclosed in our current Key Features Document.
- 11.2 By giving you at least one months' prior written notice, we may increase the rate or vary the basis of such charges.
- 11.3 Our Initial Charge is payable on the Effective Date. This is deducted by us from the Subscriptions before they are used to purchase Shares. There is also an Annual Management Charge, which is taken from fund(s) held within the Account.

- 11.4 We will be entitled to charge you or, at our discretion, deduct from the Account:
- i) £15 for providing a duplicate of information that has been previously supplied to you;
 - ii) Any charges, fees or expenses payable to us under the Account.
- 11.5 The amounts referred to in Clause 11.4 above may be increased.
- 11.6 In addition and where relevant, we may recover from the Account with your agreement the expense of providing any guarantee by way of an insurance policy or otherwise.

12 Statements

We will send you a half yearly statement and a valuation of the Account as at or near to 5 April and 5 October. This will be sent to you within 21 days of the relevant date. The statement will show details of all sales and purchases effected for the Account and income received since the date of the previous statement. The valuation will be based on the mid price of Shares but it will not include any measure of performance.

13 Termination, Transfer and Withdrawal

- 13.1 You may transfer JISAs held with other JISA Managers to the Account. We will contact the manager(s) concerned on your behalf and effect the necessary transfers. All transfers to the Account must be made in cash or stock transfer.
- 13.2 Subject to any other provisions of this Clause and in accordance with the Regulations, at your written request and within the time stipulated by you, we will transfer all of the Account to another JISA manager at any time provided they agree to such a transfer. Following receipt of your written request, in the case of a Cash Account we will transfer the cash balance of the Account to the ISA manager of your choice and, in the case of a Stocks and Shares Account, we will encash any Shares in the Account and transfer the cash value of the Account or if requested by you to transfer the Account Investments (without first realising the Shares) to the JISA manager of your choice. "In specie" transfers out are subject to a charge of £25 plus VAT per holding and any outstanding management fees will be debited to the JISA up to and inclusive of the date of transfer.
- 13.3 A JISA may only be closed on the death of the child, on the child reaching their 18th birthday or on direct instruction from HM Revenue & Customs (where we are informed the JISA is void) In addition, where all of the investments in a JISA have been transferred to another plan manager, the nil balance account held may be closed.
- 13.4 On termination or transfer of the Account any fees due to the date of termination or transfer including a pro rata proportion of any periodic fees will be payable by you and deducted by us from the Account.
- 13.5 The Account will lose its tax status on the death of the child. Proof of the death must be submitted to us before the JISA can be closed and sight of the original death certificate or the Coroner's interim document will be required. Any tax refunds claimed on the Account after the child's death will be repaid to HM Revenue & Customs.

14 Complaints and Compensation Rights

- 14.1 You should address any complaints in connection with the Account to the Compliance Officer at Balcerne Asset Management, 1 Balcerne Hill, Colchester, Essex, CO3 3FG. In addition, for the Stocks and Shares and Cash Accounts, you have the right to complain direct to the Financial Ombudsman Service. This address is available on request from our Administrative Office.
- 14.2 Balcerne Asset Management as a trading style of Capel Court Plc is covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme if we cannot meet our obligations. The limits for compensation are set out by the FSCS as follows:
- Investments: protection for 100% of £50,000*
- 14.4 Further information about compensation scheme arrangements is available from the Financial Services Compensation Scheme, details of which may be provided to you on request from our Administrative Office.

15 General

- 15.1 Information about you and the conduct of the Account may be put onto our database and used by us. This information may also be disclosed to others to provide you with the service applied for, for the purposes of fraud prevention, audit and debt collection, and so that services may be processed for us (in the UK and abroad).
- 15.2 To help improve our service and in the interests of security, we may monitor and/or record your telephone calls with us. Our recordings are and shall remain our sole property.
- 15.3 We will provide HM Revenue & Customs with all the relevant particulars of the Account and its investments and any other information pertaining to the Account that they may reasonably request.
- 15.4 We will notify you in writing, if by reason of any failure to satisfy any provision of the Regulations the Account is no longer exempt from tax by virtue of the Regulations.
- 15.5 You will be liable to pay any applicable Value Added Tax chargeable in respect of any charges or fees payable by you under the Account. If there are insufficient uninvested monies in the Account to pay any charges or fees which become due to us, we shall be entitled to deduct from any future Receipts, or dispose of Account Investments, for the purpose of realising an amount necessary to pay such fees.
- 15.6 Subject to Clause 15.9 we may amend these Terms by giving written notice to you. Any such amendment will come into force 14 days after notice of it is given to you. We may amend these Terms at any time without notice if we are required to do so by the Board of HM Revenue & Customs or by reason of any amendment to the Regulations or the Rules. In such an event we shall inform you as soon as practicably possible.
- 15.7 **The value of the Shares and the income from them can go down as well as up. Accordingly, the Shares are at risk.**
- 15.8 We will not be liable for any loss arising from strikes, interruption of power supplies, machinery or computer (hardware or software) failures or causes beyond our control. We will also not be liable for loss arising from your investment in the Account unless caused by our negligence, fraud or wilful default or that of our nominees.
- 15.9 In relation to a Cash Account, we may amend the Terms which apply to such Account by giving you at least 30 days' written notice before any change takes effect.

16 Governing Law

This investment is governed by the Law of England and Wales.

17 Additional Terms

Any additional terms will be provided separately, and in the event of any inconsistency with these Terms, the additional terms shall take precedence.

Health warning

The value of investments can go down as well as up, and as a consequence, the value of the portfolio at any given point in time cannot be guaranteed. Upon withdrawal or transfer of the portfolio it may not realise the sum originally invested. Past performance is not necessarily a guide to future returns.

Balkerne Asset Management

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