




# **Modular ISA**

## Terms and Conditions



The James Hay Modular iPlan (“Modular iPlan”) is our online retirement wealth platform which consists of three Products:

**1. James Hay Modular iSIPP**

**2. James Hay Modular GIA**

**3. James Hay Modular ISA**

The Modular GIA and Modular ISA are optional, and are only available to members of the Modular iSIPP.

These Terms and Conditions give you important information about your Modular ISA and, together with your completed application form, section 1 of the Modular ISA Charges Schedule, Modular ISA Permitted Investments List and the individual user terms and conditions for James Hay Online (JHOL), form the agreement between you, James Hay Wrap Managers Limited and James Hay Wrap Nominee Company Limited. The Modular ISA is a stocks and shares ISA, as defined under the ISA Regulations.

Please ensure that you read these Terms and Conditions carefully before accepting them and submitting your application to us. If you have any questions about these Terms and Conditions or any of our other documents, please feel free to contact us.

Nothing we provide to you, whether orally or in writing, including the content of these Terms and Conditions, our Website (including any linked website) and JHOL should be construed as financial, investment or tax advice. You are responsible for your choice of ISA and the investments you make. We recommend that you seek advice from a suitably qualified Financial Adviser before applying for a Modular ISA and placing any investments.

Any taxation information contained in this document and other documents is based on our interpretation of legislation and HMRC practice which may change from time to time. Any information relating to how tax may be applied to you may change and depends on your individual circumstances.

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## 1 CHANGING THE TERMS AND CONDITIONS

- 1.1 We may change the Terms and Conditions from time to time. We will give you at least 30 Days' prior written notice of any material change to the Terms and Conditions except where either: (a) those changes are outside of our control (such as a change in legislation) which may take effect immediately; or (b) those changes are not to your disadvantage, in which case we will inform you within 30 Days of the changes having taken effect. Notice will be given in accordance with clause 8.
- 1.2 A material change to the Terms and Conditions includes material changes to the Permitted Investments List or section 1 of the Charges Schedule but does not include any changes to our Cash Interest Policy or annual uplifts in charges as set out in the Charges Schedule or on our Website.
- 1.3 We will generally only make a material change to our Terms and Conditions for the following valid reasons; to:
- (1) reflect changes to law, industry guidance or codes of practice;
  - (2) meet regulatory and reporting requirements (including recommendations by the Financial Conduct Authority (FCA) or decisions of the Financial Ombudsman Service);
  - (3) reflect changes in how investment markets work which may impact on the operation of your Modular ISA;
  - (4) avoid cross-subsidisation between individual member products where provision of certain services is charged on an uneconomic basis;
  - (5) provide for the introduction of new systems or changes to existing systems, methods of operating, outsourcing or administration, services or facilities;
  - (6) proportionately reflect legitimate cost increases or decreases associated with providing our services in relation to your Modular ISA (including regulatory or industry levies);
  - (7) take account of changes to the ownership of our business or how it operates;
  - (8) correct errors; and/or
  - (9) make them clearer.
- 1.4 Minor changes to the Terms and Conditions (including typographical corrections, clause restructuring or clarifications that do not materially change the meaning of the clause) shall take effect immediately without notice to you but an up-to-date version will be available on our Website or on request.

## 2 GLOSSARY

- 2.1 When the following words with capital letters are used in these Terms and Conditions, this is what they mean:

**ADDRESS** our address at Suite B & C, First Floor, Milford House, 43-55 Milford Street, Salisbury, SP1 2BP or such other address as we may notify you from time to time;

**ADVISER CHARGE** any charge (plus VAT if applicable) you have agreed to pay to your Financial Adviser for advice and other services provided to you in relation to your Modular ISA;

**AVAILABLE FUND** in relation to a transfer, a fund in which Units are available for investment via both the Transferring Platform and the Receiving Platform;

**AVAILABLE FUND MANAGER** the operator of an Available Fund;

**BUSINESS DAY** a Day other than a Saturday, Sunday or public holiday in England when banks in London are open for business;

**CASH INTEREST POLICY** our policy for the payment of interest earned on cash held in Pooled Client Money Accounts (as amended from time to time), which can be found on our Website at [www.jameshay.co.uk/bankaccounts](http://www.jameshay.co.uk/bankaccounts);

**CHARGES SCHEDULE** the schedule of charges and other information that applies to your Modular ISA;

**CLIENT** the person who submitted or authorised the submission of your completed application to open a Modular ISA and in whose name it has been opened;

**CLIENT MONEY RULES** the client money rules set out by the FCA from time to time accessible at <https://www.handbook.fca.org.uk>;

**COSTS AND CHARGES DISCLOSURE DOCUMENTS** the cost and charges disclosure documents that set out the necessary information for a particular fund (pre-sale and annually, as required) in compliance with legal and regulatory requirements;

**DAY** a period of 24 consecutive hours beginning at 12:00 midnight;

**DISCOUNTED UNIT CLASS** a Unit class in an Available Fund for which the Available Fund Manager is paid a lower level of charges than would otherwise apply to an investment in Units in the Available Fund;

**FCA** Financial Conduct Authority or successor regulator;

**FCA RULES** the rules set out by the FCA from time to time accessible at <https://www.handbook.fca.org.uk>;

**FINANCIAL ADVISER** an individual or firm that should be authorised and regulated by the FCA (or which holds the appropriate regulatory permissions to operate as a Financial Adviser in accordance with the laws of the jurisdiction in which the individual or firm is domiciled), as appointed by you, who provides you with financial and investment advice from time to time;

**HMRC** Her Majesty's Revenue & Customs;

**IFG GROUP COMPANIES** IFG Group Limited (Republic of Ireland company no. IE021010), whose office address is: Block A Riverside IV, 70 Sir John Rogerson's Quay, Dublin 2, Dublin, and any companies or organisations wholly or partly owned by it at any time, including James Hay Wrap Managers Limited and James Hay Wrap Nominee Company Limited;

**INSTRUCTION or INSTRUCTS or INSTRUCTED** any instruction given by you, your Financial Adviser or other party authorised by you, that is sent to, and received by, us in relation to: (1) the buying, selling or Switching of investments; (2) the operation of your Modular ISA; (3) any other service we may provide to you;

**INVESTMENT CENTRE** James Hay Partnership's investment platform, providing access to the range of Investment Centre Funds available to you under your Modular ISA;

**INVESTMENT CENTRE FUND** a fund offered by an Investment Centre Fund Manager that is available to be traded on the Investment Centre;

**INVESTMENT CENTRE FUND MANAGER** a third party firm that manages funds available on the Investment Centre;

**INVESTMENT CENTRE FUNDS LIST** the list of Investment Centre Funds you may invest in, a copy of which can be obtained from our Website or on request;

**ISA** an Individual Savings Account managed in accordance with the ISA Regulations by an ISA manager under the terms agreed between the ISA manager and investor;

**ISA REGULATIONS** the Individual Savings Account Regulations 1998, as amended from time to time;

**JAMES HAY ONLINE** or **JHOL** the secure online portal accessible on our Website, or any replacement or successor, in whatever form;

**JAMES HAY PARTNERSHIP** or **JHP** is the trading name used by (amongst others) James Hay Wrap Managers Limited and James Hay Wrap Nominee Company Limited;

**JAMES HAY WRAP MANAGERS LIMITED** or **JHWM** James Hay Wrap Managers Limited (England company no. 04773695), whose registered office is: Suite B & C, First Floor, Milford House, 43-55 Milford Street, Salisbury, SP1 2BP. JHWM is authorised and regulated by the Financial Conduct Authority under Firm Reference Number: 225574;

**JAMES HAY WRAP NOMINEE COMPANY LIMITED** or **JHWNC** James Hay Wrap Nominee Company Limited (England company no. 07259308), whose registered office is: Suite B & C, First Floor, Milford House, 43-55 Milford Street, Salisbury, SP1 2BP;

**KEY FEATURES DOCUMENT** the document which sets out the key features of your Modular ISA;

**MODULAR GIA** the general investment account you may open under the Modular iPlan managed by JHWM;

**MODULAR ISA** an individual savings account you may open under the Modular iPlan, which is managed by JHWM;

**MODULAR ISIPP** the self-invested personal pension established under the James Hay Personal Pension Plan;

**MODULAR ISIPP MEMBER** you, the person who submitted or authorised the submission of your completed application to open a James Hay Modular iSIPP (which has not been closed or transferred out), and in whose name it has been opened;

**NOMINEE** James Hay Wrap Nominee Company Limited (an IFG Group Company), or such other nominee as JHWM may decide to appoint;

**PANEL** our panel of Providers listed on our Website from time to time;

**PANEL STOCKBROKER** a stockbroker on our Panel;

**PAYMENT DATE** a date of our choosing, which will normally be on or around the 10th Business Day of the month, when interest earned on your cash is allocated to your Product Bank Account;

**PAYMENTS OUT** the withdrawal and transfer of money from your Modular ISA and/or investments from your Modular ISA to you and/or an account in your name nominated by you, subject to these Terms and Conditions;

**PERMITTED INVESTMENTS** investments permitted under the Permitted Investments List;

**PERMITTED INVESTMENTS LIST** the list of Permitted Investments you may invest in through your Modular ISA, as amended from time to time;

**PLATFORM** the operator of an investment platform with whom you may hold investments;

**POOLED CLIENT MONEY ACCOUNT** an account in our name with a bank or deposit taker determined by us that holds aggregated cash holdings of clients. Each client's entitlement is recorded in our internal records but not in each bank's or deposit taker's records;

**PRODUCT** means the Modular iPlan comprising the Modular iSIPP, Modular GIA and Modular ISA;

**PRODUCT BANK ACCOUNT** the term used to describe an individual client's cash holding for a Modular ISA or Modular GIA. All clients' cash accounts are aggregated and held in Pooled Client Money Accounts;

**PROVIDER** means a cash panel provider and Panel Stockbroker, collectively.

**REBATE** a repayment received from an Investment Centre Fund Manager in respect of a reduction of their charges relating to a Permitted Investment and applied to your Modular ISA as additional units, shares or money;

**RECEIVING PLATFORM** the investment Platform that receives investments from a Transferring Platform on a transfer;

**STOCKBROKER** an individual or firm that should be UK based and must be authorised and regulated by the FCA (or which holds the appropriate regulatory permissions to operate as a stockbroker in accordance with the laws of the jurisdiction in which the individual or firm is domiciled), which provides stockbroking services and who holds cash or assets for investment, from time to time;

**STOCKBROKER ACCOUNT** an account with a Stockbroker held in the name of the Stockbroker to hold assets and cash, which are to be invested or have been invested via the Stockbroker;

**SUBSCRIPTION** payments into your Modular ISA, including cash and investments;

**SWITCH** or **SWITCHES** or **SWITCHING** selling Investment Centre Funds, then using the proceeds to purchase other Investment Centre Funds;

**TAX YEAR** 06 April to the following 05 April;

**TECHNICAL GUIDE** the document providing detailed technical information about your Modular ISA;

**TERMS AND CONDITIONS** these Terms and Conditions, your completed application form, individual user terms and conditions for JHOL and section 1 of the Charges Schedule;

**TRANSFERRING PLATFORM** the investment Platform that transfers investments to a Receiving Platform on a transfer;

**UK** England, Northern Ireland, Scotland and Wales, excluding the Isle of Man and Channel Islands;

**UNIT** a unit representing a right to or interest in investments;

**UNIT TRANSFER** a transfer of investments which is carried out through re-registration of the ownership of Units in an Available Fund from the Transferring Platform to the Receiving Platform without the Available Fund Manager first selling the Units to transfer cash to the Receiving Platform (otherwise known as an "in-specie transfer");

**US PERSON** a person who is: (1) a citizen or national of the United States of America ('US') (including dual citizens or nationals); or (2) resident or ordinarily resident in the US for tax purposes;

**WEBSITE** the website located at: [www.jameshay.co.uk](http://www.jameshay.co.uk) or other such address as we may notify you from time to time;

## Modular ISA

### Terms and Conditions

- 2.2 In these Terms and Conditions:
- 2.2.1 the words **we, us** and **our** mean JHWM and **you** and **your** mean the Client.
- 2.2.2 the words **your Modular ISA** means the Modular ISA under which you are a Client.
- 2.2.3 unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.
- 2.2.4 unless stated otherwise, references to clause numbers are references to clause numbers in these Terms and Conditions.

## 3 THE COMPANIES YOU ARE CONTRACTING WITH

- 3.1 These Terms and Conditions are between you and:
- 3.1.1 James Hay Wrap Managers Limited; and
- 3.1.2 James Hay Wrap Nominee Company Limited.

## 4 KEY DOCUMENTS

- 4.1 Your key documents, which are available on request, are:
- 4.1.1 these Terms and Conditions
- 4.1.2 your completed application form
- 4.1.3 Charges Schedule
- 4.1.4 Permitted Investments List
- 4.1.5 individual user terms and conditions for JHOL
- 4.1.6 Key Features Document
- 4.1.7 Modular iPlan Technical Guide.

## 5 SERVICES

### 5.1 Services provided

- 5.1.1 In accordance with these Terms and Conditions, we shall:
- (1) provide (on your behalf) the services, exercise the powers, and comply with the requirements, of an ISA manager in accordance with, and as defined by, the ISA Regulations;
  - (2) open and operate your Modular ISA in your name;
  - (3) keep records;
  - (4) process your Instructions, subject to our checks and these Terms and Conditions;
  - (5) appoint third party service providers in accordance with your Instructions, subject to our checks and these Terms and Conditions;
  - (6) provide you with statements and other information on your Modular ISA;
  - (7) carry out checks to assess the legitimacy of investments (this does not include full due diligence checks on investments);
  - (8) arrange for Permitted Investments under the Investment Centre to be held by our Nominee or another nominee appointed by us;
  - (9) carry out other services we deem necessary to effectively operate your Modular ISA, and comply with HMRC and regulatory requirements.

### 5.2 When we will refuse to carry out our services

- 5.2.1 Our services shall not be carried out if doing so breaches or is contrary to any:
- (1) law, regulation (including the ISA Regulations), code of practice or industry guidance;
  - (2) regulatory requirement (including FCA recommendations or decisions of the Financial Ombudsman Service);
  - (3) document listed in clause 4.

### 5.3 Services not provided by us

- 5.3.1 We are not responsible or liable to you, or your Modular ISA for, and shall not:
- (1) provide investment, pension or tax advice;
  - (2) assess the suitability of your investments for your financial circumstances;
  - (3) conduct full due diligence checks on any investments on your behalf;
  - (4) select your investments or monitor their performance;
  - (5) check the financial stability, and/or monitor the activities, of any Financial Adviser, Stockbroker or other provider of investment accounts or other financial service;
  - (6) carry out due diligence checks on any investments including the funds listed in the Investment Centre Funds List or Permitted Investments List. You and your Financial Adviser should satisfy yourselves that the investment is appropriate for your circumstances;
  - (7) provide the services of a Financial Adviser or Stockbroker.

## 6 OPENING YOUR MODULAR ISA

### 6.1 Eligibility

- 6.1.1 To be eligible to open a Modular ISA, you must:
- (1) be resident in the UK for tax purposes, or carry out duties that are treated as performed in the UK, or be married to, or in a civil partnership with, a person who performs such duties;
  - (2) be 18 years of age or over;
  - (3) be an existing Modular iSIPP Member;
  - (4) not be an undischarged bankrupt;
  - (5) not be a US Person.

6.1.2 If you become a US Person or are made bankrupt, you must notify us as soon as possible.

6.1.3 If you cease to be resident in the UK for tax purposes you must notify us immediately. Your Modular ISA need not be closed, but Subscriptions will not be permitted. If, having ceased to be resident in the UK for tax purposes, you later become resident in the UK for tax purposes (and you notify us of the same), you may then make Subscriptions.

### 6.2 Application process

- 6.2.1 When applying to open a Modular ISA, you must:
- (1) complete and submit an application form electronically via JHOL;

- (2) provide satisfactory proof of your identity, residence and age (if required to do so by us);
- (3) be a Modular iSIPP Member.
- 6.2.2 We may accept a completed application form that has been electronically or digitally signed by you. If your application form has been signed electronically or digitally and we accept it, your use and operation of your Modular ISA will, for the avoidance of doubt, be deemed to be acceptance of these Terms and Conditions in their entirety.
- 6.2.3 A legally binding contract is created when we accept your application and your Modular ISA will be opened on receipt of your Subscription or transfer from another ISA manager.
- 6.2.4 If your application is accepted we shall communicate this to you in writing.
- 6.2.5 Once your application is accepted, you authorise us to: comply with all laws, regulations, regulatory requirements/recommendations, and codes of practice (including the ISA Regulations); and exercise the powers of an ISA manager under the ISA Regulations, on your behalf.
- 6.2.6 The Modular ISA is classified as a stocks and shares ISA.
- 6.2.7 You are responsible for ensuring that all Subscriptions are within allowable limits.
- 6.2.8 We may refuse your application at our discretion.
- 6.3 Appointment of a Financial Adviser (if applicable)**
- 6.3.1 Products may be opened on an advised or non-advised basis, and you may at any time select in or out of any Products as advised or non-advised.
- 6.3.2 All Products (including investments), whether advised or non-advised, can be viewed by your Financial Adviser (if appointed). Your Financial Adviser may only transact or provide Instructions in relation to the Products and investments for which your Financial Adviser is appointed.
- 6.3.3 If you appoint a Financial Adviser, you are responsible for agreeing all charges (including any applicable Adviser Charges) with your Financial Adviser.
- 6.3.4 Your Financial Adviser must provide us with their full details, be authorised and regulated by the FCA (or if based outside the UK, hold the appropriate regulatory permissions in the jurisdiction in which the Financial Adviser is domiciled) and agree to our Financial Adviser terms of business and operational requirements.
- 6.3.5 You are responsible for monitoring the performance of your Financial Adviser.
- 6.3.6 Instructions we receive from your Financial Adviser will be treated as if they are from you, unless you notify us to the contrary in accordance with clause 8. It is your responsibility to ensure that all Instructions we receive from your Financial Adviser reflect your wishes.
- 6.3.7 We treat Instructions from your Financial Adviser on the basis that your Financial Adviser:
- (1) is acting fully within the authority and permissions you have agreed with and given to your Financial Adviser;
- (2) has advised you in accordance with their duties and responsibilities.
- 6.3.8 You must provide us with your Instructions if you require Adviser Charges to be paid from your Modular ISA.
- 6.3.9 You must satisfy yourself as to your Financial Adviser's terms of business with you, including any Adviser Charges to be paid to them.
- 6.3.10 We may terminate our relationship with your Financial Adviser if they do not comply with our Financial Adviser terms of business, our operational requirements, or cease to hold the required regulatory permissions to act as a Financial Adviser.
- 6.3.11 You may change your Financial Adviser subject to our Terms and Conditions, provided you notify us.
- 6.4 Appointment of a Stockbroker (if applicable)**
- 6.4.1 Our current range of acceptable Stockbrokers is listed on our Website. You may appoint a Stockbroker, subject to our Terms and Conditions, in particular the Stockbroker meeting the requirements in clause 6.4.2 below. Our acceptance of a Stockbroker does not mean we endorse them, or have checked their financial stability.
- 6.4.2 Your Stockbroker must provide us with their full details, be based in the UK, be authorised and regulated by the FCA, comply with FCA Rules and their terms of business with you and agree to, and comply with, our terms of business and our operational requirements, including agreeing to provide us with appropriate information to enable us to at all times meet our reporting requirements under the ISA Regulations.
- 6.4.3 You must deal directly with your Stockbroker and satisfy yourself as to the terms (including charges), any advice, and investment strategy (particularly relating to the purchase, retention or sale of investments), you agree with your Stockbroker.
- 6.4.4 In dealing with your Stockbroker we require that the Stockbroker use its nominee and custody facilities, and accepts responsibility for the registration and safe custody of your investments.
- 6.4.5 If your Stockbroker ceases to have the required regulatory authorisations or permissions, or does not comply with our terms of business or operational requirements, including providing us with appropriate information to enable us to at all times meet our reporting requirements under the ISA Regulations, we may require that you replace your Stockbroker and that any assets held are transferred to your newly appointed Stockbroker. Alternatively, we may require that any assets held by the previous Stockbroker be sold within a reasonable time.
- 6.5 Appointment of a third party (if applicable)**
- 6.5.1 If you wish to appoint a third party, other than your Financial Adviser, to deal with your Modular ISA (including giving Instructions on your behalf), we must be provided with satisfactory proof of the third party's identity, residence and specimen

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signature (and any further information we may require to satisfy anti-money laundering requirements and any other requirements).

- 6.5.2 We treat Instructions from the third party as though they are from you, unless you notify us otherwise.
- 6.5.3 You must ensure that Instructions we receive from the third party reflect your wishes and you accept responsibility for the actions of the third party in relation to your Modular ISA.

**7 YOUR RIGHT TO CANCEL**

- 7.1 You may change your mind after your application to open your Modular ISA is accepted.
- 7.2 Once your application is accepted we shall provide you with a cancellation notice which explains your right to cancel and how to exercise that right.
- 7.3 Your rights to cancel are set out in the table below:

	<b>IF YOU HAVE NOT APPOINTED A FINANCIAL ADVISER</b>	<b>IF YOU HAVE APPOINTED A FINANCIAL ADVISER</b>
<b>OPENING YOUR MODULAR ISA</b>	30 Day cancellation period, <i>after</i> which time you can invest money received into your Modular ISA.	30 Day cancellation period, <i>during</i> which time you can invest money received into your Modular ISA.
	If you cancel your Modular ISA, any money or assets received will be returned to an account nominated by you.	If you cancel your Modular ISA, any money or assets received will be returned to an account nominated by you, less any fall in the market value of the investments made.
	If you wish to invest straight away you may waive your right to cancel during this cancellation period.	
<b>FIRST SUBSCRIPTION FOR A NEW TAX YEAR</b>	No cancellation rights.	30 Day cancellation period.
		If you cancel your first Subscription, any money or assets received will be returned to an account nominated by you, less any fall in the market value of the investments made.
<b>SUBSEQUENT SUBSCRIPTIONS IN THE SAME TAX YEAR</b>	No cancellation rights.	
<b>TRANSFER INTO THE MODULAR ISA</b>	No cancellation rights.	30 Day cancellation period.
		If you cancel your transfer in, any money or assets received will be returned to an account nominated by you, less any fall in the market value of the investments made.
<b>OTHER INVESTMENTS</b>	Investment providers are responsible for determining if cancellation rights will be given. We will forward to you any cancellation notice we produce or receive.	

- 7.4 Your right to cancel may be exercised under this clause 7 by submitting a completed cancellation notice to us before the expiry of the relevant cancellation period via JHOL or by post to our Address.
- 7.5 If you change your mind under this clause 7 and any Adviser Charges have been paid, we will request repayment of these from your Financial Adviser, but we will not be responsible or liable to you if these are not repaid by your Financial Adviser.
- 7.6 Terms about closing your Modular ISA outside the cancellation periods above are provided at clause 19.



## **8 SENDING INSTRUCTIONS, NOTICES AND DOCUMENTS**

### **8.1 General**

- 8.1.1 We correspond directly with you or your Financial Adviser (if appointed), unless you request for us not to do so.
- 8.1.2 Our primary method of communicating with you is secure message via JHOL, but we may also communicate by post.
- 8.1.3 You must notify us as soon as possible if any of your contact details change.
- 8.1.4 This clause 8 shall not apply to the service of proceedings or other documents in any legal action.

### **8.2 Notices and documents**

- 8.2.1 This clause 8.2 does not apply to sending Instructions (see clause 8.3).
- 8.2.2 Any notice or document to be given by you and/or your Financial Adviser to us, or by us to you and/or your Financial Adviser, must be in writing, in English and delivered by secure message through JHOL, by hand, or prepaid post to our Address, or to you at the last permanent residential address in our records, and/or your Financial Adviser at your Financial Adviser's last known address.
- 8.2.3 Notices or documents sent under clause 8.2.2 shall be deemed received (if delivered by hand) at the time of delivery, (if sent by post) upon the expiry of 5 Business Days after posting, and (if sent by secure message through JHOL) when it appears as a sent item on JHOL's secure portal, a notification of receipt has been generated and no error message has been generated.
- 8.2.4 We are prepared to accept notices and documents from you and/or your Financial Adviser by email or fax provided such communications are received by us in English and you and your Financial Adviser (if applicable) agree to take reasonable security measures and to follow up all emails and faxes with us to confirm receipt, particularly if such communications are, or will become, time sensitive.

### **8.3 Instructions**

- 8.3.1 Instructions to us must be in writing, in English and received by us by secure message through JHOL, by hand, or prepaid post at our Address. We do not accept email Instructions. As a more secure alternative we recommend using our free secure messaging service, JHOL, to send us your electronic Instructions.
- 8.3.2 We are prepared to accept Instructions by fax provided that such Instructions are received by us, in English and you and your Financial Adviser (if applicable) agree to take reasonable security measures and follow up all faxes with us to confirm receipt, particularly if these communications are, or will become, time sensitive.
- 8.3.3 We do not normally accept telephone Instructions, but reserve the right to in exceptional circumstances. If we accept a telephone Instruction you will be required to confirm the same to us in writing by post, fax or secure message on JHOL.

- 8.3.4 We do not accept liability for loss arising out of, or in connection with, you or your Financial Adviser having sent an Instruction which is not received by us (see further clause 21).

## **9 POOLED CLIENT MONEY ACCOUNTS**

- 9.1 Cash in your Modular ISA is pooled with that of other clients and held in Pooled Client Money Accounts in our name. We will hold your cash in accordance with the Client Money Rules. The entitlement of each client is recorded in our internal records but not in the bank or deposit taker with which a Pooled Client Money Account is held. The cash balance in each Modular ISA is represented in our records by that client's Product Bank Account.
- 9.2 Any cheque (including cheques received from third parties) that is deposited will not start earning interest or be available to invest until the fifth Business Day after we have deposited it with the bank or deposit taker with which the Pooled Client Money Account is held. The fact that we will allow the funds to be used on the fifth Business Day does not necessarily mean that the item has cleared.
- 9.3 If an item is returned unpaid, we will debit the Pooled Client Money Account, which will create a debit on your Product Bank Account for the relevant amount (and any interest we have paid on it). If the cash has been used to purchase investments, we reserve the right to sell those investments to ensure that your Product Bank Account balance does not go into a debit balance.
- 9.4 Cash may be placed in Pooled Client Money Accounts that are notice or unbreakable term deposit accounts to obtain better rates of interest. Cash may be placed in accounts with notice periods of, or on deposit for fixed terms of, up to 95 Days, in accordance with the Client Money Rules. Placing your cash in notice or term deposit accounts does not in itself affect your ability to deal with or withdraw funds from your Modular ISA. However, such amounts may not be immediately available for distribution in the event of our insolvency or the insolvency or default of one of the banks or deposit takers with whom your money is held.
- 9.5 We may change the structure of the Pooled Client Money Accounts and/or the banks or deposit takers with which Pooled Client Money Accounts are held without prior notice to you. We will exercise due skill, care and diligence in the selection and periodic review of banks and deposit takers. However, we are not responsible for the actions, omissions, default or insolvency of any bank or deposit taker with which a Pooled Client Money Account is held.
- 9.6 In the event of the failure or default of a bank or deposit taker with which a Pooled Client Money Account is held, we will attempt to recover your share of the cash held in that account on your behalf. In the event the bank or deposit taker is unable to satisfy all claims against it, you may have to bear any shortfall on a pro rata basis based on the cash balances held across all Pooled Client Money Accounts. We will not be liable to (and will not compensate) you for any such shortfall you suffer. You may, subject to eligibility, be able to claim against the Financial Services Compensation Scheme (FSCS). Please note that

FSCS limits apply per person per banking licence. This means that the limit on compensation to which you may be eligible applies to your aggregate exposure to a failed bank or deposit taker (or, more accurately, to banks which share a banking licence). Further information is available at [www.fscs.org.uk](http://www.fscs.org.uk) and in our factsheet 'How your money and investments are held within James Hay Partnership products' which is available on our Website, or on request.

- 9.7 In the event that we have held a client money balance for at least 6 years following the last movement on your entitlement to amounts in Pooled Client Money Accounts (disregarding any payment or receipt of interest, charges or similar items) and we have taken reasonable steps to try and trace you, we reserve the right to cease treating such unclaimed balance as client money. If we do this, we will always follow the Client Money Rules applicable at the time in how we then handle the money.

## **10 YOUR PRODUCT BANK ACCOUNT**

### **10.1 General**

- 10.1.1 Your Product Bank Account is the term used to describe your individual cash holding within your Modular ISA. All clients' cash holdings are aggregated and held in Pooled Client Money Accounts.
- 10.1.2 The primary purposes of your Product Bank Account are to:
- (1) receive money for Permitted Investments, dividends and any interest payments;
  - (2) settle purchases of Permitted Investments;
  - (3) pay charges, including our charges and any Adviser Charges;
  - (4) pay other charges not settled by other means or by agreement with a Stockbroker.
- 10.1.3 You must keep sufficient funds in your Product Bank Account to pay all charges and allow us to carry out your Instructions.
- 10.1.4 If there is insufficient money in your Product Bank Account to enable us to complete your Instructions, those Instructions will not be carried out, and you or your Financial Adviser will be contacted for further Instructions, at which point you may:
- (1) notify us that your Instructions are withdrawn; or
  - (2) transfer sufficient funds to your Product Bank Account to enable us to carry out your Instructions.
- 10.1.5 Your rights and obligations in relation to your Product Bank Account cannot be transferred. We will not recognise an interest in or claim to your Product Bank Account, unless required by law.
- 10.1.6 Money held in your Product Bank Account cannot be used as loan security.
- 10.1.7 James Hay Partnership may benefit from the provision of banking facilities.

### **10.2 Subscriptions into your Modular ISA**

- 10.2.1 Subscriptions must not exceed the allowable HMRC imposed Subscription limit.

#### **Subscription methods**

- 10.2.2 The Subscription methods into your Modular ISA are: Bankers Automated Clearing Service (BACS), Faster Payments, Clearing House Automated Payment System (CHAPS) and Direct Debit.
- 10.2.3 Subscriptions are not accepted by cash, debit card, credit card or cheque. Subscriptions cannot be submitted at a branch of a bank.

#### **Subscriptions made in error or returned unpaid**

- 10.2.4 Subscriptions submitted in error shall be reclaimed.
- 10.2.5 Requests for the return of Subscriptions shall be determined by us. Any funds returned may be less than the original Subscription after the deduction of Adviser Charges, our charges, investment performance or tax, interest or other charges.
- 10.2.6 Your Product Bank Account must always be kept in credit. Therefore, if your Product Bank Account goes into a debit balance (including after a payment is returned unpaid), we will inform you or your Financial Adviser that your Product Bank Account must be immediately brought into credit. If this is not done, your investments may have to be sold to bring your Product Bank Account back into credit.

#### **Transfers into your Modular ISA**

- 10.2.7 You may transfer all or part of an ISA you have with another ISA manager to your Modular ISA
- 10.2.8 Transfers depend on agreement between you, us and the other ISA manager.
- 10.2.9 All investments being transferred to a Modular ISA must be Permitted Investments. Investments that are not Permitted Investments must be sold prior to the transfer. Please refer to our Permitted Investments List, a copy of which can be obtained from our Website or on request.
- 10.2.10 Your existing ISA manager may apply a transfer charge and you should confirm this with them.

#### **When Subscriptions may be refused**

- 10.2.11 We will normally only accept Subscriptions and transfers from an account in your name (including joint accounts).
- 10.2.12 Subscriptions and transfers into your Modular ISA may be refused by us. We will generally refuse to accept Subscriptions or transfers if:
- (1) the payer's identity, residence or authorisation cannot be ascertained;
  - (2) it is not permitted by these Terms and Conditions or the Permitted Investments List.

### **10.3 Payments Out of your Modular ISA**

- 10.3.1 If you wish to make a Payment Out, we must receive your Instructions specifying the amount of money and/or investments, and full details of the nominated account in your name you wish to receive the Payment Out.

- 10.3.2 We will normally only make Payments Out to an account in your name (including joint accounts).
- 10.3.3 Payments Out generally take 14 to 30 Days to complete and are made by CHAPS, Faster Payments, or cheque payable to you.
- 10.3.4 You will be unable to withdraw or make a Payment Out at the branch of any bank.

**Transferring your Modular ISA to another ISA manager**

- 10.3.5 You have the right to Instruct us to transfer all, or part of, your Modular ISA to another ISA manager. By a reasonable date you stipulate, you may Instruct us to transfer a specified part, or all of, your Modular ISA, to another ISA manager suitably authorised under the Financial Services and Markets Act 2000, and in accordance with the ISA Regulations.
- 10.3.6 Transfers depend on agreement between you, us and the new ISA manager.
- 10.3.7 We will cash in relevant Permitted Investments before the transfer, or transfer assets if requested to do so (see also clause 13.15). We will pay the proceeds to the other ISA manager on a reasonable date you Instruct. However, please note that if an investment is suspended we will process the transfer of that fund within 7 Business Days after the suspension ends.
- 10.3.8 Transfers are at all times subject to the ISA Regulations.

**10.4 Interest**

- 10.4.1 We will deposit your cash in a Pooled Client Money Account with one or more banks or deposit takers. A proportion of the interest earned on your cash will be allocated to your Product Bank Account in accordance with our Cash Interest Policy, which is available on our Website. We will retain the remaining interest earned, which allows us to keep our product charges competitive, and to further invest in our technology and service provision.
- 10.4.2 Interest on cash held in your Product Bank Account will be calculated daily and paid in arrears on the Payment Date. The amount you receive may be subject to bank charges and differences in the timing of interest payments received from the banks or deposit takers who provide the Pooled Client Money Accounts.
- 10.4.3 You are not entitled to the interest earned on your cash in a Pooled Client Money Bank Account until it is allocated to your Product Bank Account on the Payment Date. Interest does not constitute client money for the purposes of the Client Money Rules until it is so allocated. You will not receive any interest which has accrued where your Modular ISA is closed before it is allocated to your Product Bank Account.

**11 INVESTMENTS**

**11.1 General**

- 11.1.1 All investments must be Permitted Investments and comply with applicable laws, regulations (including the ISA Regulations) and any rules, guidance or requirements of the FCA and HMRC. They must also comply with the Permitted Investments List and any guides and internal processes produced by us from time to time.

- 11.1.2 You may transfer Permitted Investments from an ISA you hold with another ISA manager to our Nominee as part of your Modular ISA. Such a transfer is subject to any requirements of your existing ISA manager.

- 11.1.3 You may invest in the range of Permitted Investments listed in the Permitted Investments List available on our Website or on request. The Permitted Investments may change from time to time.

- 11.1.4 You, or your Financial Adviser, or other authorised third party, may submit investment Instructions to us on your behalf.

- 11.1.5 We do not warrant that any Permitted Investments on the Permitted Investments List meet your financial or other circumstances. We recommend that you seek advice from a suitably qualified adviser (such as a Financial Adviser) before investing.

- 11.1.6 When investing in collective investment schemes, some fund managers may make use of the client money "Delivery Versus Payment (DVP) Exemption". Under this exemption, a fund manager need not treat money held for the purpose of settling a transaction in a collective investment scheme, as client money for a period of up to 1 Business Day. During this period, the investor's money will not be protected by the Client Money Rules, so if the fund manager fails, investors will rank as a general creditor. Where a fund manager requests our consent to using the DVP Exemption, we will grant them this consent on your behalf.

**11.2 Placing and withdrawing investment Instructions**

- 11.2.1 Our 'Order Transmission Policy' document details our policy on receiving and transmitting investment Instructions, and is available on our Website or on request.
- 11.2.2 Instructions must be submitted to us via secure message on JHOL in accordance with clause 8.3. Email Instructions are not accepted.
- 11.2.3 We shall communicate any difficulties experienced in carrying out your Instructions to you or your Financial Adviser as soon as reasonably practicable upon becoming aware of the difficulty.
- 11.2.4 We do not take into account market fluctuations when carrying out Instructions.
- 11.2.5 We only receive and transmit your Instructions and do not amend them. You must ensure the accuracy of all Instructions.
- 11.2.6 We shall confirm completion of your investment Instructions to you or your Financial Adviser by letter or secure message on JHOL.

**11.3 Investment Instructions placed in error**

- 11.3.1 You or your Financial Adviser must notify us immediately by secure message on JHOL if confirmation is received of an Instruction being submitted which you or your Financial Adviser did not Instruct to be carried out, or which has not been carried out in accordance with your or your Financial Adviser's Instructions. You or your Financial Adviser should also telephone us if the above happens.

**11.4 Potential delays to completing Instructions**

- 11.4.1 You and your Financial Adviser must provide sufficiently clear and precise Instructions to enable us, without any doubt, to carry out your Instructions. If any Instructions are unclear, this may cause delays for which we do not accept any liability.
- 11.4.2 There may be circumstances, particularly when awaiting funds arising from the disposal of investments or when executing asset transfers, where we must rely on third parties in order to complete your Instructions. In this case, the process may take significantly longer than expected for which we do not accept any liability.

**11.5 Reversing, suspending or refusing Investment Instructions**

- 11.5.1 We may reverse, suspend or refuse an Instruction:
- (1) that is contrary to these Terms and Conditions, the Permitted Investments List, law, regulation, requirement or recommendation by the FCA or HMRC or other regulator;
  - (2) that exposes or may expose us or another IFG Group Company to adverse financial or reputational risks;
  - (3) if there are insufficient cleared funds in your Product Bank Account, necessary to complete the Instruction;
  - (4) if there is an accounting error which shows that a payment has not been received, that was originally recorded as received into your Product Bank Account;
  - (5) if the investment requires, or may require, supplementary cash or other assets to be paid or transferred to us, or another party, in order to meet the terms and conditions in relation to that investment. As a consequence, without limiting the above, investments in partly paid shares or investments, including derivatives, where margin may be required, are not permitted.
- 11.5.2 No liability is accepted for losses arising out of or in connection with us acting in accordance with clause 11.5.1 above.

**12 REGISTRATION OF INVESTMENTS**

- 12.1 Investments will be registered and held in the name of our Nominee or other Nominee as chosen by us, unless a Stockbroker is acting for you, in which case assets purchased through the Stockbroker will be held by it, or its nominee or custodian (not an IFG Group Company). As you choose which Stockbroker you wish to use, we are not responsible for the selection, appointment or any periodic review of your chosen Stockbroker or their nominee or custodian. We are also not responsible for the acts, omissions, default or insolvency of the Stockbroker or their nominee or custodian.
- 12.2 Where we choose to use a Nominee that is not an IFG Group Company, we will exercise due skill, care and diligence in the selection, appointment and periodic review of any Nominee we appoint and the arrangements for holding and safekeeping of your investments. However, we are not responsible for the actions, omissions, default or insolvency of Nominees that are not IFG Group

Companies. We accept responsibility for our Nominee where it is an IFG Group Company with respect to any requirements of the FCA Rules on custody.

- 12.3 The costs of the transfer of assets into the name of our Nominee or other third party are payable by you.
- 12.4 Investment Centre assets will normally be registered collectively with those of other clients holding similar assets and may not be identifiable by separate certificates or other physical evidence of title. Investments may be held in a dematerialised form electronically or aggregated with investments of our other clients so that your interest in investments will only be identifiable from our internal records. In the event of a shortfall on our or our Nominee's insolvency, you may share proportionately in accordance with all clients' entitlements subject to applicable law.
- 12.5 You are not permitted to use any assets as collateral or as security or a pledge. You undertake that any assets transferred to us will be free of all third party interests.
- 12.6 We, or our Nominee, may give the issuer of your investments your name and address and size of your holding. Other parties holding your investments will also do likewise. Due to our Nominee holding your investment on a pooled basis, additional benefits may arise that would not otherwise have occurred had your investment been registered in your own name. In such circumstances, you will not receive these additional benefits. By holding investments in this manner you may also lose benefits which you might otherwise have gained, had investments been registered in your own name. We accept no liability should this happen.
- 12.7 In the event of our or our Nominee's insolvency, third parties may exercise a right of retention or sale in favour of the third party over all investments held with them, but this is limited to properly incurred charges and liabilities arising from the provision of custody services in respect of investments held with the third party.
- 12.8 In the event that we have held an asset for you for at least 12 years since the last Instruction received from you or your Financial Adviser relating to that asset and we have taken reasonable steps to try and trace you, we reserve the right to divest ourselves of this unclaimed asset by either selling it or transferring it away. If we do this, we will always follow the FCA Client Asset Rules applicable at the time.
- 12.9 If you choose to hold non-EEA (European Economic Area) investments, your rights will be subject to the local laws and regulation which may differ from those of the United Kingdom.
- 12.10 If you choose to hold investments outside of the United Kingdom, due to local laws a third party nominee may not be able to hold your investments in a way which is separately identifiable from the investments of that third party or of us. In the event of the insolvency of that third party nominee, if there is a shortfall in investments available to settle all claims, all of your investments may not be recovered and in the event of any shortfall, you may share proportionately in accordance with all clients' entitlements, subject to the local laws.

- 12.11 We may exercise a right of retention or sale over your investments but only in respect of properly incurred charges and liabilities arising from administering your Modular ISA.

## **13 JAMES HAY INVESTMENT CENTRE**

### **13.1 General**

- 13.1.1 Additional terms and conditions apply when you trade in Investment Centre Funds.
- 13.1.2 Investment Centre Funds are detailed in the ISA Investment Centre Funds List, a copy of which is available on our Website or on request. The funds offered, are subject to change or closure without notice and their inclusion on the Investment Centre Funds List is not an indication of their suitability for your individual needs.
- 13.1.3 Past performance and other investment information on some Investment Centre Funds is available on JHOL. Contact your Financial Adviser, or relevant Investment Centre Fund Manager for further performance information.
- 13.1.4 No deals relating to Investment Centre Funds should be placed by you or your Financial Adviser directly with the relevant Investment Centre Fund Manager.

### **13.2 Investment Centre Instructions**

- 13.2.1 Investment Instructions should be sent to us via JHOL's secure trading service. Alternatively, Instructions may be communicated by post or fax on the appropriate Investment Centre Form, following the contact details on the form. If these forms are not used, we will not be liable for any delay. Email Instructions are not acceptable.
- 13.2.2 Normally, Instructions received by post or fax at or before 4.00pm are processed on the next Business Day. However, this is not guaranteed and some Instructions may take longer.
- 13.2.3 The price date, when making the transaction may differ from the date it is sent.
- 13.2.4 Cut-off times for submitting Investment Centre Fund Instructions via JHOL are provided in the Investment Centre Funds List.
- 13.2.5 If an Investment Centre Fund Manager does not trade every Business Day on a particular Investment Centre Fund, your investment Instruction will normally be placed on the next trading date for that fund.
- 13.2.6 A dilution levy may be applied to trades at the discretion of the Investment Centre Fund Managers. This may happen if a high number of purchases or sales take place which would adversely affect the net asset value of units/shares held by the remaining investors. The levy is intended to ensure that the remaining investors are not worse off.
- 13.2.7 The minimum individual investment is £1 per fund selected.

### **13.3 Deduction of initial investment Adviser Charges**

- 13.3.1 Any initial investment Adviser Charges due will be deducted from the investment amount before being forwarded to the Investment Centre Fund Manager. You must ensure that your Modular ISA has sufficient funds to purchase investments.

### **13.4 Receiving money on sale of Permitted Investments**

- 13.4.1 It generally takes 5 Business Days from the date the Permitted Investment is sold to receive money into your Modular ISA; however, receipt of money may take longer.
- 13.4.2 Money normally will be credited to your Modular ISA on the Business Day following receipt from the Investment Centre Fund Manager.

### **13.5 Switching Permitted Investments**

- 13.5.1 All Switches are processed as a sale then a purchase.
- 13.5.2 The price date of the purchase depends on the price of the sale being received from the relevant Investment Centre Fund Manager. This is normally the next Business Day, but we will not be liable for any delays caused by non-receipt of this information.
- 13.5.3 All investments sales will be processed first before the purchase trades are carried out when Switching out of more than one fund.
- 13.5.4 If you are Switching out of a fund that does not trade daily, then this will cause a delay to the sale element of the Switch which must be processed before the purchase element of the Switch can be placed.
- 13.5.5 We may, without notice, defer the purchase until the sale proceeds are received if we would be required to fund the transaction in the interim.
- 13.5.6 In the event that the Investment Centre Fund Manager for the fund being sold fails to send us the sale proceeds, we may have to sell sufficient units/shares from the fund purchased to cover this amount.

### **13.6 Re-registering existing investments into the Investment Centre Funds**

- 13.6.1 Instructions to re-register existing funds into the Investment Centre may change the existing conditions that apply before the date of re-registration. Once re-registered, the units and shares will be held in accordance with these Terms and Conditions.

### **13.7 Aggregating transactions**

- 13.7.1 We may aggregate certain transactions from multiple clients in a particular fund and place a deal with the relevant Investment Centre Fund Manager that represents the overall position.

### **13.8 Rebates**

- 13.8.1 Rebates (if any) applicable to Investment Centre Fund Managers' charges are apportioned depending on each client's holding in the relevant fund on the date the Rebate is calculated by the Investment Centre Fund Manager. Please note that calculation methods may vary between Investment Centre Fund Managers.
- 13.8.2 Rebates received on a pooled holding with the Investment Centre Fund Manager are credited to your Modular ISA as additional units or shares in the fund or as cash (in certain circumstances as permitted by regulations).

### **13.9 Distributions**

- 13.9.1 Any distributions in respect of your holdings are credited to your Modular ISA once the money is

## Modular ISA Terms and Conditions

received and reconciled. This normally takes 10 Business Days after receipt from the Investment Centre Fund Manager.

13.9.2 Scrip distributions are not permitted.

### 13.10 Confirming transaction details to you

13.10.1 We confirm completion of an investment Instruction on JHOL, to you or your Financial Adviser. JHOL will be updated after we receive correct contract notes from the Investment Centre Fund Manager following completion of an investment Instruction. JHOL will be updated with transaction details of regular purchases and sales.

### 13.11 Suspension of funds

13.11.1 Investment Centre Fund Managers may suspend dealing in Investment Centre Funds. We accept no liability for loss arising out of, or in connection with, Investment Centre Fund Managers suspending dealing on Investment Centre Funds.

### 13.12 Mergers and closures

13.12.1 We will not exercise any voting rights attaching to any Investment Centre Fund that is subject to merger or closure.

13.12.2 If an Investment Centre Fund is withdrawn from the Investment Centre Funds List at short notice, we may sell the former Investment Centre Fund and credit the proceeds to your Modular ISA. You or your Financial Adviser will be notified if that is the case and we will advise you or your Financial Adviser of the effect on your fund.

### 13.13 Collection of investment income

13.13.1 Interest, dividends and other investment income are credited to your Modular ISA.

### 13.14 Voting rights and corporate actions

13.14.1 We will not exercise any voting rights attaching to your investments, unless we have agreed this with you including the rate of charges that may apply for such a service.

### 13.15 Transferring funds into and out of your Modular ISA

13.15.1 If you ask us to transfer any of your investments to us from another Platform or from your Modular ISA with us to another Platform, you may choose for the transfer to be carried out by way of a Unit Transfer, provided there are no circumstances outside of our control, or the control of the Transferring Platform or Receiving Platform (as the case may be), which would prevent a Unit Transfer. This is otherwise known as an "in-specie" transfer.

13.15.2 Where we receive an Instruction from you, or one given on your behalf, to carry out a Unit Transfer of any investments, we may treat that Instruction as expressly providing us with your authority:

- (1) if we are the Transferring Platform, to request the Available Fund Manager of each such investment (to the extent we are entitled to do so) to carry out any conversion of the relevant Units to Units in an Available Fund in the Receiving Platform, and to take any other reasonable steps to bring about that conversion; or
- (2) if we are the Receiving Platform, to instruct the Transferring Platform to request the Available Fund Manager of each such

investment (to the extent the Transferring Platform is entitled to do so) to carry out any conversion of the relevant Units to Units in an Available Fund in your Modular ISA with us, and to take any other reasonable steps to bring about that conversion, in each case, as required to enable a Unit Transfer of any such investments.

13.15.3 Where we receive an Instruction from you, or given on your behalf, to convert Units in your investments into Units of a Discounted Unit Class, we are entitled to treat that Instruction as expressly providing us with your authority.

Once a Unit Transfer of any investment has taken place, it may be possible for a conversion of Units in your existing investments to a Discounted Unit Class:

- (1) if we are the Transferring Platform, you will need to contact the Receiving Platform to determine their approach to Unit conversions of an investment to a Discounted Unit Class.
- (2) if we are the Receiving Platform, once the investment has completed, we will let you know how to determine if a Discounted Unit Class is available to you. We will also let you know how to instruct us to carry out a conversion of a Unit Class to a Discounted Unit Class.

13.15.4 An Instruction will be treated as given on your behalf where it is provided:

- (1) by your Financial Adviser;
- (2) if we are the Transferring Platform, by the Receiving Platform;
- (3) if we are the Receiving Platform, by the Transferring Platform,

unless, in any of these cases, we reasonably believe that person or entity does not have authority to provide the Instruction on your behalf.

## 14 MODULAR ISA PANELS

14.1 You may invest with a Provider. All Providers must be UK based, authorised and regulated by the FCA, agree to our terms of business and these Terms and Conditions and our operational requirements, including agreeing to provide us with appropriate information to enable us to at all times meet our reporting requirements under the ISA Regulations.

14.2 Before investing with a Provider you must agree to their terms and conditions. It is important to read those terms and conditions as they outline investment instruction deadlines, timescales and limits to and exclusions of liability. The Provider's terms and conditions do not form part of these Terms and Conditions.

14.3 Once you have opened an account with a Provider, you must deal with the Provider directly.

14.4 Once investment instructions have been given to a Provider those instructions may not be withdrawn. Investment instructions through a Provider will:

- (1) not be placed unless there are sufficient cleared funds in your Modular ISA;
- (2) be registered in the name of the Provider's nominee.

14.5 Settlement of investment instructions is carried out through your Modular ISA and your Provider will liaise with us accordingly. A Provider may refuse to place a trade if there are insufficient funds in your Modular ISA.

14.6 If a Provider is included on our Panel, this does not mean we endorse them. You and your Financial Adviser should satisfy yourselves about the financial security and suitability of any provider on our Panel before investing.

## 15 WHOLE OF MARKET MODULE

15.1 You may invest in external investments with fund providers who are not on our Investment Centre. These investments will be subject to the relevant providers' terms and conditions, which will not form part of these Terms and Conditions.

15.2 If a fund is available under our Investment Centre, you must buy it through our Investment Centre and you will not be permitted to purchase it via the whole of market module.

15.3 Please see the Permitted Investments List, a copy of which can be obtained from our Website or on request.

## 16 CHARGES

16.1 Section 1 of the Charges Schedule specifies the charges applicable to the Modular ISA. A copy can be obtained from our Website or on request.

16.2 You agree to pay us and permit us to deduct, our charges, expenses, any third party charges and costs (including Adviser Charges), tax charges, levies and any other charges from your Modular ISA, as and when they become due.

16.3 We reserve the right to sell investments held within your Modular ISA to pay our charges, expenses, third party charges and costs, tax charges, levies, fees and/or other liabilities incurred in relation to your Modular ISA. Although we reserve this right, we are under no obligation to exercise it and it remains your responsibility to ensure that your Product Bank Account contains sufficient funds to pay our charges, expenses, third party charges and costs, tax charges, levies, fees and/or other liabilities incurred in relation to your Modular ISA.

16.4 Subject to our requirements and methods of payment as we may decide, you may pay charges personally instead of deducting them from your Modular ISA.

16.5 You are, or if you die, your estate is, responsible for the payment of all charges (including Adviser Charges).

16.6 Additional charges determined on the date of payment, may apply if you Instruct us to make foreign currency electronic payments from your Modular ISA.

16.7 We may charge interest on late payment of our charges at 8% above the Bank of England base rate.

16.8 Annual fees or charges (including, but not limited to, whole of market module charges), taken in advance or arrears, will not be refunded in part or in full, if you stop using the service the charge relates to or if you close your Modular ISA at any point in the plan year.

## 17 TAX

17.1 Currently, no tax is payable on income you receive from your Modular ISA.

17.2 Any exemption from tax under the ISA Regulations will cease if you die, subject to clause 20.1 of these Terms and Conditions.

## 18 KEEPING YOU INFORMED AND THIRD PARTY LITERATURE

18.1 You or your Financial Adviser will be notified on completion of your Instructions.

18.2 Valuation reports will be provided on JHOL every 3 months from the date you opened your Modular ISA.

18.3 For investments held in your Modular ISA, you must make a specific request to us each time you need us to arrange:

- (1) for you to receive annual reports, accounts or other information issued in respect of those investments;
- (2) for you to attend meetings and/or vote in respect of those investments.

18.4 An additional charge may apply calculated on a time/cost basis (see Charges Schedule) in relation to services under 18.3 above.

18.5 Where your Modular ISA contains funds that are managed by third parties, we rely on and report information provided to us by those third parties. We accept no liability for errors or omissions that may occur in this third-party produced information, including where we have transmitted or incorporated it into our literature.

18.6 We make no express or implied representations as to the suitability of funds, or investments held on your behalf, including in the event that we pass on literature or information produced by or on behalf of the providers, issuers or managers of such investments whether in hard copy or through the internet. Any market news, prices or other data you obtain from JHOL is provided by us in good faith, but we cannot guarantee its accuracy or completeness or that it is up to date. No express or implied endorsement is made by us in relation to any of these items.

## 19 CLOSING YOUR MODULAR ISA

### 19.1 When you may close your Modular ISA

19.1.1 You may close your Modular ISA on 30 Days' notice to us in accordance with clause 8.2.

### 19.2 When we may close your Modular ISA

19.2.1 We may close your Modular ISA on 30 Days' notice to you in accordance with clause 8.2 for any of the following valid reasons, if:

- (1) we are required to close your Modular ISA by law, regulation, the FCA, HMRC or other government body;
- (2) you materially breach these Terms and Conditions without remedying the material breach when requested to

do so by us within a reasonable time.  
“Material breach” includes non-payment of any charges, levies, or taxes due, non-compliance with our procedures, not replacing your Stockbroker or Financial Adviser where they are in material breach of our terms of business or operational requirements, or otherwise cease to be appropriately authorised and regulated to act as a Stockbroker or Financial Adviser or you provide us with false details or otherwise are acting or have acted fraudulently or contrary to any other laws or regulations;

- (3) you are not or have ceased to be a Modular iSIPP Member.

### **19.3 Requirements, charges and consequences when closing your Modular ISA**

19.3.1 In giving notice to close your Modular ISA under clause 19.1 or 19.2 (**Closure Notice**), the following applies:

- (1) Instructions received by us (for example investment Instructions) before we receive, or provide you with, a Closure Notice, will be completed in accordance with these Terms and Conditions. Instructions submitted on or after the day a Closure Notice is received or issued will not be completed, unless it is an Instruction to transfer all money and/or investments (as applicable) held in your Modular ISA to another account in your name;
- (2) money and/or investments will be transferred to an account in your name or to another Platform with whom you have opened an account, in accordance with your Instructions less all charges, levies and any taxes due;
- (3) if no Instructions are received (within a reasonable period of time) to transfer all money and/or investments from your Modular ISA to another account in your name, or to another Platform with whom you have opened an account, we may sell your investments and hold the proceeds of sale in your Modular ISA until you instruct us to transfer the contents of your Modular ISA to an account in your name. We shall not unreasonably exercise this right;
- (4) once all your money and investments in your Modular ISA have been transferred to an account in your name, your Modular ISA will be closed;
- (5) closure of your Modular ISA shall not affect any accrued rights or any outstanding obligations, including any requirements to pay all charges, levies or taxes due.

## **20 YOUR MODULAR ISA ON DEATH**

### **20.1 Notification of death**

- 20.1.1 If you die, existing Instructions will be suspended and future Instructions will not be completed until we receive appropriate proof of death and title from the authorised personal representatives.
- 20.1.2 We will require the original death certificate in order to formally record the death, but we do reserve the right to accept other forms of notification.

20.1.3 Upon notification of your death, your Modular ISA will be designated a ‘continuing account of a deceased investor’. Funds held within this account continue to benefit from ISA tax advantages.

20.1.4 The Modular ISA will remain a ‘continuing account of a deceased investor’ until the earlier of:

- (1) the completion of the administration of your estate;
- (2) the closure of the Modular ISA account; or
- (3) the third anniversary of your death.

20.1.5 If, after a period of three years, the administration of the ISA account is ongoing and the ISA account has not been closed, the ISA account will cease to be a ‘continuing account of a deceased investor’. Therefore on the next working day following the third anniversary of the deceased’s death, the ISA wrapper will be removed from the account and all subsequent income or gains will then become taxable in the hands of your estate.

### **20.2 Additional Permitted Subscription (APS)**

20.2.1 A surviving spouse or civil partner may make an APS following your death.

20.2.2 The APS limit can be either the value of your Modular ISA:

- (1) at your date of death; or
- (2) at the point the ISA ceased to be a ‘continuing account of a deceased’.

20.2.3 Your surviving spouse or civil partner can choose which value to use, but once they have done so they cannot change their mind.

## **21 RESPONSIBILITY FOR LOSS**

### **21.1 Our responsibility**

21.1.1 We do not exclude or limit our liability to you for breach of statutory or regulatory obligations, negligence causing death or personal injury, fraud, or fraudulent misrepresentation.

### **21.2 Where we are not responsible**

21.2.1 We shall not be responsible or liable (and will not compensate you) for any loss, liability, cost, expense, fees or missed profit that you, your investments or your Modular ISA suffer:

- (1) where you or your Financial Adviser (or other third party) has sent an Instruction or other request to us which is not received by us in accordance with these Terms and Conditions;
- (2) where we have relied and/or acted on any Instruction or other request within a reasonable time of receiving the Instruction or other request;
- (3) where a third party such as your Financial Adviser is responsible for giving an Instruction or other request, or carrying out your Instruction or other request and fails, wholly or in part, to carry out your Instruction or other request within a reasonable period of time, or provides an unclear Instruction or other request which is not clarified to us within a reasonable period of time;



- (4) as a result of us fairly exercising our discretion to refuse to carry out your Instructions or other request in accordance with these Terms and Conditions, including where we exercise our discretion not to carry out an investment Instruction in accordance with these Terms and Conditions;
- (5) where we have acted (or not acted) in good faith on an Instruction or other request given by you, or which we reasonably believe to be given by you, your Financial Adviser or appointed third party;
- (6) arising from or in connection with your, your Financial Adviser's or other third party's decisions, actions or omissions relating to the choice, purchase, retention, Switching and/or sale of any investments;
- (7) where a Financial Adviser or Stockbroker, or other third party you have appointed has caused the loss;
- (8) where we have sold an investment to minimise further costs or liabilities;
- (9) arising from or in connection with the actions, omissions, delays or defaults of any bank, third party nominee, custodian or institution with which you (or your appointed third party), we or a Stockbroker deposit money or investments;
- (10) where we have deducted any sum from your Modular ISA to cover taxes, levies or charges due to us, HMRC or other third parties;
- (11) arising out of or in connection with the performance of investments of any nature;
- (12) where our delay or failure to provide our services under these Terms and Conditions is caused by events, circumstances or causes beyond our reasonable control, including any failure, breakdown or malfunction of any telecommunications, computer systems (including JHOL), equipment, banking services, utility provider; or any delays or failures arising out of, or in connection with, any industrial disputes/actions, or abnormal weather conditions;
- (13) for loss caused due to any error, inaccuracy and/or omission in the content of any Costs and Charges Disclosure Documents, as the content of such Costs and Charges Disclosure Documents for particular funds is supplied to us by the applicable fund manager.

### 21.3 Your responsibility to us

- 21.3.1 You are personally responsible and liable to pay all charges due and shall reimburse us for any loss which is reasonable and could have been foreseen that we would suffer as a result of you doing or failing to do something in relation to your Modular ISA and us performing our services and duties in relation to your Modular ISA (except to the extent that we are responsible under clause 21.1.1), even if you close your Modular ISA. Without limiting the overall effect of this clause, this will include any tax charges and liabilities, and any requirements to complete and file applicable tax returns. This provision shall remain in force even if your Modular ISA is closed.

## 22 OTHER IMPORTANT TERMS

### 22.1 Client status

- 22.1.1 We categorise you as a 'Retail Client' as defined by FCA Rules. You can request an alternative categorisation, subject to our agreement. An alternative categorisation may reduce or limit the protection available to you.

### 22.2 Conflict of interest

- 22.2.1 We have procedures and controls designed to deal with and manage actual or potential conflicts. Our Conflicts of Interest Policy is available on our Website or on request.

### 22.3 Complaints

- 22.3.1 Complaints should be addressed to: The Complaints Manager, James Hay Partnership, Suite 202 Warner House, 123 Castle Street, Salisbury, SP1 3TB. Alternatively, you can call us on 03455 212 414. For further details, please see 'A Guide to our Complaint Procedure' leaflet, a copy of which can be obtained from our Website or on request.
- 22.3.2 If you are not satisfied with the outcome of your complaint, you may refer it to the Financial Ombudsman Service, Exchange Tower, London E14 9SR.  
Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk).  
Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).  
This will not affect your right to take legal action.

### 22.4 Delay

- 22.4.1 If you or we breach these Terms and Conditions and delay or otherwise take no action, both we and you are still entitled to enforce any rights or remedies in respect of that breach and any subsequent breach.

### 22.5 Exclusion of third party rights

- 22.5.1 Other than the IFG Group Companies, a person who is not a party to these Terms and Conditions shall not have any rights under these Terms and Conditions including any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce these Terms and Conditions.

### 22.6 Financial Services Compensation Scheme

- 22.6.1 Your Modular ISA is covered by the Financial Services Compensation Scheme ('FSCS'). The FSCS is the United Kingdom's compensation fund for customers of authorised financial services firms. The FSCS may be able to pay compensation if a firm is unable, or is likely to be unable, to pay claims against it. Further information is available at [www.fscs.org.uk](http://www.fscs.org.uk).
- 22.6.2 For further details on how we will hold any money and/or investments and how the protections under the UK regulations will apply, please read the document called 'How your Money and Investments are held within James Hay Partnership Products', a copy of which can be obtained from our Website or on request.

### 22.7 Invalid, unlawful or unenforceable terms

- 22.7.1 If any provision or part-provision of these Terms and Conditions is or becomes invalid, unlawful or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, lawful and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or

deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of these Terms and Conditions.

## **22.8 Law and jurisdiction**

22.8.1 These Terms and Conditions and any dispute or claim arising out of or in connection with them or their subject matter or formation (including non-contractual disputes or claims) shall be governed by and interpreted in accordance with the laws of England and Wales. You and we both agree to submit to the exclusive jurisdiction of the courts of England and Wales.

## **22.9 Transfer of our rights and obligations**

22.9.1 We may transfer our rights and obligations under these Terms and Conditions to another organisation on reasonable notice. We shall not transfer our rights and obligations under these Terms and Conditions if this will reduce your rights under these Terms and Conditions.

22.9.2 When we transfer our rights and obligations under 22.9.1 we may also transfer any client money and client assets held in our name to another organisation. We will ensure that this transfer is made subject to the condition that, where the FCA Client Asset Rules (CASS Rules) apply, the organisation will hold client money and assets in accordance with the CASS rules. We will exercise all due skill, care and diligence in assessing whether the organisation will meet the requirements of the CASS Rules. Also in the event of such a transfer taking place you will be notified of the terms under which your money and assets will be held by the receiving organisation, the extent to which they will be protected under a compensation scheme, and you will be given the option to have your money and assets returned to you in the event you do not wish them to be transferred to the organisation.

## **22.10 Telephone recording**

22.10.1 We may operate a telephone recording system and calls may be recorded for training, monitoring and security purposes.

## **22.11 Use and disclosure of personal information**

22.11.1 You can access full details on what to expect when we process your personal data under your product in the 'Data Protection Statement - James Hay Products' document, which is available on our Website or on request. If you have any questions about data protection, please contact us using the contact details in the Data Protection Statement.

22.11.2 If you have a Financial Adviser appointed for your Modular ISA, your Financial Adviser may view any additional products you hold with us, even though your Financial Adviser is not appointed for those additional products.

## **22.12 Compliance with the ISA Regulations and delegation**

22.12.1 JHWM shall notify you if, by reason of any failure to satisfy the provisions of the ISA Regulations, your Modular ISA has, or will, become void.

22.12.2 JHWM shall satisfy itself that any person to whom it delegates its functions or responsibilities under these Terms and Conditions is competent to carry out those functions and responsibilities.

If you have any questions regarding the content of this document or if you require any of the documents referenced in these Terms and Conditions, please visit [www.jameshay.co.uk](http://www.jameshay.co.uk) or call us on 03455 212 414.

We are able to provide literature in alternative formats. For a Braille, large print, audio or E-text version of this document call us on 03455 212 414 (or via the Typetalk service on 18001 03455 212 414).

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