Zurich Investment Account
Terms and conditions
Contents

Introduction 3
The Terms and conditions 3
Roles and responsibilities 3
Risks 3
Terms and conditions 4
1. Your contract with us 4
2. Roles and responsibilities 4
3. Eligibility 5
4. Applying for your account 6
5. Starting your account 6
6. Cancellation rights 6
7. Payments into your account 7
8. Investment strategy 8
9. Assets 8
10. Buying and selling assets 10
11. Ownership and custody of assets 12
12. Charges and adviser remuneration 12
13. The disinvestment strategy 15
14. Withdrawals 16
15. Ending the agreement with your adviser 16
16. If you die 17
17. Closing your account 17
18. Changes we can make to these Terms and conditions 17
19. Corporate actions 18
20. Other terms 18

Appendix A
Zurich’s order execution policy 23

Appendix B
Your privacy is important to us 26
Introduction

The Terms and conditions

The Zurich Investment Account (the ‘account’) is provided by Sterling ISA Managers Limited, trading as Zurich.

This document gives the Terms and conditions of the Zurich Investment Account.

Should we change these Terms and conditions in future, we will let you know in line with section 18.

Roles and responsibilities

An explanation of the different roles and responsibilities is detailed in section 2.

Your adviser will advise you about taking out your account, and assess its suitability for your circumstances. They may also give you ongoing financial advice, helping you to make decisions about your account and the assets you invest in. You will decide the payments that you make and how and when you take any withdrawals from your account.

We will carry out your instructions. Where an instruction requires us to buy or sell assets (as described in section 10), we will pass those instructions, together with the payment where relevant, to the appropriate fund manager, in line with our order execution policy (see Appendix A) – they will be responsible for executing these instructions.

Risks

There are risks associated with investing – these largely depend on the assets you choose to invest in.

- The value of your account and the assets you invest in and any investment income you take is not guaranteed – you may get back less than you invest.
- If we or another financial institution that you are invested in fails, you could lose some or all of the money you’ve invested.
- Inflation may reduce the real value of your investments and any investment income you take.
Terms and conditions

We have used plain English wherever we can but avoiding technical terms is not always possible. Where we use a technical term, we explain what it means.

When we refer to ‘you’ or ‘your’ we mean the holder of the Zurich Investment Account (the ‘account’).

When we refer to ‘Zurich’, ‘us’, ‘our’, or ‘we’, we mean Sterling ISA Managers Limited, trading as Zurich.

1. Your contract with us

These are the Terms and conditions of your Zurich Investment Account, together with the appendices, they form a legally binding agreement between:

• you, and
• us, acting in our capacity as the provider of your Zurich Investment Account.

The Terms and conditions of the account apply from the start date of your account in line with section 5.

In the event of your death, where applicable, these Terms and conditions will be binding on your legal personal representatives.

Zurich, us, our or we

Refers to Sterling ISA Managers Limited, trading as Zurich. Sterling ISA Managers Limited uses the trading name ‘Zurich’ for the purpose of this account. Sterling ISA Managers Limited is part of the Zurich Group. We are authorised and regulated by the Financial Conduct Authority (FCA).

The Zurich Group

Zurich Insurance Group Ltd, a company registered in Switzerland (company number CH-020.3.023.083-6) and its direct and indirect subsidiary companies, including branches of such subsidiary companies.

FCA

The Financial Conduct Authority or any replacement regulatory authority or authorities. We are authorised and regulated by the FCA for pensions and investment business and are bound by its rules. Our Financial Services Register number is 191278.

If these Terms and conditions conflict with the FCA rules or any other applicable laws, the FCA rules or the other applicable laws will prevail.

FCA rules

The rules and regulations of the FCA, acting within the scope of the Financial Services and Markets Act 2000 or any successor legislation applicable from time to time to Zurich, your account and these terms and conditions.

Other applicable laws

Any statutes and other legislation as amended from time to time (except FCA rules) and any case law that applies now or in the future to Zurich, your account, these Terms and conditions and you.

2. Roles and responsibilities

2.1 Zurich’s role and responsibilities

We are the provider of your account. We classify you as a ‘retail client’ under the FCA rules.

Retail client

This is the FCA categorisation of investor that is applied to you and that determines the level of regulatory protection you are afforded under the FCA rules. Retail clients (usually individuals) receive protection, for example, in relation to compensation or complaints.

We will:

• operate your account in line with these Terms and conditions, the FCA rules and any other applicable laws,
• use due care and diligence in operating your account,
• act reasonably, proportionately and fairly and in line with the FCA rules or any other applicable laws, if we use our discretion, make a decision, require information, evidence or use our judgement under these Terms and conditions,
• act on an execution-only basis, meaning we do not give any financial, legal, tax or similar advice relating to your account or any assets that you invest in,
• act on valid instructions we receive from you,
• hold remuneration which you have agreed may be deducted from your account by us as agent of your adviser,
• process and pass on trading instructions to buy and sell assets to the appropriate fund manager, in line with our order execution policy (see section 10.1),
hold your assets in line with the FCA rules on client money and the custody of assets as described in section 11, and

provide you with appropriate information about your account and assets, and

send you regular statements.

We may delegate some of our functions to sub-contractors in line with section 20.3.

Sub-contractor
A third party appointed by us to provide services in respect of the development and/or operation of your account.

Adviser
A business or individual authorised and regulated by the FCA, including any appointed representative of the adviser who has agreed with us appropriate terms of business.

We will not:

- provide discretionary asset management services or exercise any judgement on your behalf as to the merits (1) of any instructions we receive or (2) any assets you invest in,

- be responsible for the performance of any assets you invest in. Fund managers are responsible for fund performance. The performance of all assets, including funds, will be affected by financial markets and other external factors,

- be responsible for the acts and omissions of any fund managers, advisers or our banking partner (described in section 9.3.1), except if they arise as a result of our negligence or wilful default in line with section 20.5,

- be responsible for events beyond our reasonable control, in line with section 20.1.

2.3 Your responsibilities
You will comply with all these Terms and conditions in so far as they apply to your account.

You agree that:

- you will notify us in writing as soon as possible if you are ending your agreement with your adviser, as described in section 15,

- if you move to a country outside of the UK, you will tell us of any change in your residency before such change becomes effective, in line with section 20.2,

- you will tell us as soon as possible of any other change in your circumstances or status, for example, any change to your name, postal address, email address, bank or building society account,

- you will help us prevent fraud, by telling us as soon as possible if you do not recognise any transaction, or if you know or suspect that any instruction you have authorised has been carried out incorrectly,

- you will give us any information we reasonably require to complete any checks we undertake to verify your identity and/or provide any identification we reasonably request for anti-money laundering purposes, in line with section 20.12,

- you will promptly give us any additional information we require to operate your account and which is reasonable for us to request,

- you will, before submitting instructions that relate to a joint account, make sure you have the agreement of all relevant account holders, and

- you will inform us as soon as possible if any of the information included in the schedule or any summary of change documents we send to you is incorrect.

3. Eligibility
To be eligible to open an individual or jointly held account, you must be at least 18 years old, UK resident and UK resident for tax purposes or, a crown employee serving overseas, or spouse or civil partner of a crown employee serving overseas. You may not take out an account if you are a US national. It is your responsibility to jointly determine whether you meet these eligibility criteria.
4. Applying for your account
You may apply to start an Investment Account in a single name or joint names.

To apply for an account, you must complete an application that your adviser will submit on your behalf, along with any documentation we require.

Applications must be made together with a payment, and/or where you are opening an account by re-registering assets, a fully completed transfer authority and where appropriate, a stock transfer form.

Payment
Unless specified otherwise, a regular or single amount paid by you in pounds sterling to your account.

We have the right to refuse any application for an Investment Account.

5. Starting your account
You can start your account with a single or regular payment or re-registration of existing assets from another provider.

If you start your account with a single payment, it must be by cheque unless we agree otherwise.

The start date of your account will be the date a fully completed account application is processed by us. It will be activated when we receive either:

- your first payment, or
- a fully completed transfer authority.

We will issue you with your account documents on the activation of your account.

6. Cancellation rights
On starting an account with a regular payment or single payment, we will send you a cancellation notice when we send you your account documents.

Unless you start your account by only re-registering assets, you will have a 30-day cancellation period that will start from the date you receive the cancellation notice.

Where you start an account by only re-registering assets, as described in section 7.4, you will have 14 days from the date you sign your authority to notify us that you do not want to proceed by contacting us using the details in section 20.17.

Where possible, we will stop the re-registration of assets. However, if the process to re-register assets has already started, we will be unable to stop the transaction. In this event, we will tell you and your adviser and you will need to arrange to re-register the assets before we can cancel your account.

If you cancel your account during the 30-day cancellation period, what you get back will depend on the type of payment we receive:

- For a regular payment, we will return the payment we received at the start of your account, less any adviser remuneration we have deducted on their behalf prior to processing your cancellation.
- For a single payment, we will return the payment, less any fall in the value of the assets purchased with that payment and, less any adviser remuneration we have deducted on their behalf prior to processing your cancellation.

You may still be liable for any outstanding adviser remuneration which we have not deducted.

Any gain in the value of your assets, up to the point at which you cancel, will not be returned to you if you cancel an account during the 30-day cancellation period.

If you cancel a single payment, we will not return to you any charges applied by third parties as described in section 12.3.

On receipt of valid instructions to cancel, either in writing or by telephone, we will process instructions to sell any assets purchased with your payment within two business days of receiving those instructions. Following which, we will pass on the instruction in line with our order execution policy, as described in section 10.1. We will not return any payment until it has cleared.

In writing
Clear written and signed instructions by post or as a scanned document attached to an email. See section 20.17 for contact details.

Business day
A day on which commercial banks are open for business in London, except a Saturday, Sunday or a bank holiday in England.

We will return payments to the source from which we receive them.
7. Payments into your account

You can make regular payments to your account by direct debit or single payments at any time, either by cheque or, where it does not relate to starting you account as described in section 5, by BACS or CHAPS.

**BACS**
The electronic Banks Automated Clearing System run by banking institutions.

**CHAPS**

Subject to section 20.12, on identification of a payment to your account, together with the receipt of any other information that we reasonably request, we will match the payment with the associated instructions as soon as reasonably practicable. Where applicable, we will process and pass on trading instructions to buy the assets specified as soon as reasonably practicable and in line with our order execution policy. We will treat matched payments as immediately available for trading.

However, if we receive a cheque payment that we cannot process and match, because we do not have complete instructions, we will bank that payment in an appropriate client money account. No interest will be paid while it is in this client money account. In this event, once we receive complete instructions, we will not be able to process and match those instructions until the cheque has cleared. Only when it has cleared, will we match the payment with the appropriate instruction, we will do this as soon as reasonably practicable.

If we are unable to match a payment with an instruction from you, we will contact you and your adviser to request such instructions. In the event we are unable to contact you and your adviser, we will return the payment. We will return payments to the bank or building society account from which they were received.

We have the right to refuse any payment.

7.1 Minimum payments

The minimum payments that you must make to your account are as follows:

If you are starting your account with either a single payment or re-registration of assets or a combination of these, the total minimum initial investment must be at least £5,000. Any subsequent single payment must be at least £1,000.

If you are making regular payments to your account, your minimum regular payments will depend on the frequency of your regular payments based on a yearly amount of £3,000. This is equivalent to minimum monthly payments of £250, minimum quarterly payments of £750, minimum half-yearly payments of £1,500 and minimum yearly payments of £3,000.

We may increase these minimum payments in future. If we do we will let you know in line with section 18.

7.2 Regular payments

You can make regular payments monthly, quarterly, half-yearly and yearly by direct debit from a bank account that we have verified for the purpose of fraud prevention. You can start and stop regular payments at any time. The selected payment date must be from the 1st to 28th of the month.

A payment end date may also be specified, after which we will stop deducting future regular payments.

We will process direct debit instructions as soon as reasonably practicable after we receive a correctly completed instruction. Where the first direct debit payment is due within eight business days of the date we process the instruction, we will take the payment eight business days from the date it is processed. We will take all subsequent direct debits on the selected payment date or, if the payment date is not a business day, on the next business day.

To change a regular payment being taken by direct debit, you must give us instructions using an appropriate form available from your adviser or directly from us. On receipt of the relevant information, we will process your instruction by cancelling the existing regular payment and set up a new regular payment. Once it has been set up, we will confirm the new regular payment amount to you.
7.3 Failed payments
Where we buy assets on your behalf and the cheque does not clear or a direct debit, BACS, CHAPS or other payment is not honoured, we will sell any assets we have bought on your behalf in expectation of that payment.

Up to the value of your account, we will hold you responsible for any investment loss we incur on transactions which results from any payment that is not honoured.

We will do this by deducting the loss from available cash and, if there is insufficient available cash, by selling assets in line with the disinvestment strategy which is described in section 13.

7.4 Re-registration of assets
With our agreement, you will be able to re-register existing assets to your account. You can ask your existing provider to re-register assets they hold on your behalf. This will depend on their willingness to do so and us offering the exact same asset(s). You can re-register a maximum of 15 assets in one transaction.

It will not be possible to sell any of the assets you are re-registering until the re-registration of all assets has been completed.

8. Investment strategy
It is your responsibility to choose, from the available range, the assets in which to invest your payments.

Each time you make a single payment or instruct us to set up a regular payment, you must tell us the investment strategy specifying what assets to buy. You can have a different investment strategy for each single payment or regular payment.

If you are setting up more than one regular payment, or you are making more than one single payment (for example you are sending us two cheques) at the same time, you must request the same investment strategy for each payment type.

If your investment strategy includes an asset that is subsequently subject to a corporate action described in section 19, which results in the asset no longer being available for investment, any future regular payments relating to that asset will be held as available cash, until we receive alternative instructions. We will write and tell you if this happens in line with section 19.

9. Assets
We will make a range of mutual funds available to you. More information about the assets we provide access to, and the risks associated with them, is provided in the Asset guide, available from us or your adviser.

### Mutual funds
A range of collective investment schemes including:
- unit trusts,
- open ended investment companies (OEIC),
- Luxembourg based société d’investissement à capital variable (SICAV),
- Dublin based open ended investment companies (OEIC), and
- any other collective investment scheme we make available to you through your account.

Assets have risks associated with them and some assets may take some time to sell. Your adviser will explain the risks associated with the assets before you invest.

We may, acting reasonably, vary the assets we allow under the account. If you are invested in an asset that stops being available, we will tell you and your adviser what the options are at that time in line with section 19. This may include a requirement for the asset to be sold.

9.2 Asset values
The value of your account may increase, or decrease, depending on the performance of the assets you choose to invest in. We are not responsible for any loss in the value of your assets that may arise, unless it was caused by our negligence, fraud or wilful default in line with section 20.5.

9.3 Available cash
You may have available cash in your account that has been paid in or generated by existing assets.

We will use any such cash to:
- pay our charges, as described in section 12.1.1,
- pay ongoing adviser remuneration where applicable, as described in section 12.4,
- fund failed payments, as set out in section 7.3,
- continue paying regular withdrawals where the income payment strategy fails, as described in section 14.2.
If there is insufficient available cash the disinvestment strategy will apply, as described in section 13.

9.3.1 Interest on available cash
Our banking partner pays us a variable rate of interest on the available cash described in section 9.3. They have the discretion to change the rate without notice. If they do, we will pass on any such change as soon as reasonably practicable.

Banking partners
Available cash as described in section 9.3 is held with our banking partners, currently the Royal Bank of Scotland plc (RBS) and Bank of Scotland plc. We may replace our banking partners, or appoint other banking institutions as banking partners at any time.

We will retain a proportion of the interest we receive in line with section 12.1.2, and pass the rest on to you less, where applicable, tax charges and/or any other deductions we are required to make by HMRC.

Cash will earn interest from the day it becomes cleared funds in your account. We hold cash as client money in pooled bank accounts with our banking partner, as described in section 11.

Where we receive a payment or other cash amount, it will not earn interest until the money has cleared and been credited to your account.

Interest is calculated daily and credited to your account on the first business day of each month.

You can find out the current interest rate by asking us. The current interest rate will also be detailed in the Charges information documents you receive (as described in section 12), including the Charges information document sent with your regular statement.

9.4 Investment income
Investment income, generated by the assets in which you invest, will be paid as cash to your account and will start earning interest in line with section 9.3.1.

Investment income will be held as available cash in your account until we receive your instructions.

In the event that we receive investment income after you either withdraw the full value of your account, or re-register the full value of your assets with another provider, we will pay that money to the same bank account or product provider to which we paid the withdrawal or re-registered assets, or we will pay the money to you, as soon as reasonably practicable after we receive it.

If less than £10 becomes payable to you, we reserve the right to retain it and treat it as an additional miscellaneous charge. We reserve the right to increase this limit in the future. If we do, we will notify you in line with section 18.

9.5 Rebates
Mutual fund managers may pay annual management charge rebates where:

- Investments were made into mutual funds before 6 April 2014, and/or
- Cash transfers into your account or payments that have an investment strategy that includes mutual funds, were set up before 6 April 2014, and/or
- Regular payments that were set up before 6 April 2014, are invested in mutual funds.

We will calculate any rebates due from fund managers on a daily accrual basis, in line with the level of rebate agreed with individual fund managers. We will credit your account with the amount we calculate, less any deductions required by HMRC regulations where applicable. This may be more or less than the amount we actually receive from the fund managers.

We will calculate any rebates due at the frequency agreed with your adviser and credit them to your account on a date determined by the date we process your fully completed application for your account, as described in section 5. If the calculation date isn’t a business day, we will calculate it on the previous business day. If the date does not occur in a particular month, we will calculate it on the last business day of that month.

The amount we calculate will be held as available cash in your account until we receive your instructions.

The amount of any rebate will be disclosed in the Charges information documents that we send to you, together with the fund manager charges described in section 12.3, which together form the overall total expense ratio.

Annual management charge rebates cannot be paid where investments into mutual funds or regular payments into mutual funds were set up on or after 6 April 2014.

9.6 Phased investment
You may elect to invest a single payment or existing available cash in your Account as part of a phased investment strategy.

To set up a phased investment strategy, you must specify an investment amount (for example, a single payment), the length of time over which you want to spread the investment and an investment strategy as described in section 8.
We will ring-fence that investment amount so that it is not used for charges or to pay adviser remuneration, and hold it as committed cash in your account. Each month, we will use a proportion of the investment amount to buy assets in line with your investment strategy.

The proportion of the investment amount we use to buy assets each month depends on the investment amount and the length of time you choose to spread the investment over – this must be a period, of between 3 and 12 months. We will calculate the proportion by dividing the investment amount by the number of months. For example, if you choose to invest £6000 over 3 months, each month we will use £2000 to buy assets in line with your investment strategy.

There can be one or more phased investment strategies at any time. The investment strategy can be different for each phased investment strategy requested.

On receipt of trading instructions, in line with your phased investment strategy, we will process them and match them with the committed cash. We will pass on instructions to buy assets on the same date each month, starting the day after we match them with committed cash. We will subsequently pass on such instructions on the same date each month, unless this is not a business day, in which case it will be the next business day. A residual amount, including any interest earned, may remain as available cash at the end of the phased investment period.

10. Buying and selling assets

You will give us trading instructions to buy and sell assets. Once we have received trading instructions as described in section 10.1, we will process and pass on those instructions to the appropriate fund manager, who will, having confirmed receipt of the instruction, carry out that instruction to buy or sell assets.

We usually produce a trading statement at the end of each business day in which a trade is completed, this includes confirmation for each completed buy and/or sell trade made that day.

Where buy or sell trades relate to regular payments or regular withdrawals, a trading statement will only be produced for the first payment or withdrawal. However, if regular payments or withdrawals include exchange-traded asset transactions, a trading statement will always be produced.

The price at which an asset is bought or sold will be the price at the time the trade is confirmed by the fund manager.

The timing of the confirmation will depend on when we receive your instructions, the type of asset and the trading terms applied by the fund manager.

10.1 Trading instructions

Instructions relating to the buying and selling of assets must be given using the trading form available from your adviser, or directly from us. If you do not supply all the information we require, as detailed on the trading form, we will not be able to process those instructions. Where we do not have all the information, or any information is unclear, we will ask you for confirmation.

When we have received all the necessary information, we will process the instructions and send them to the appropriate fund manager, in line with our order execution policy.

Order Execution Policy

Our order execution policy details the arrangements we have in place to enable us to seek to deliver the best possible result for you when dealing with trading instructions. We monitor the effectiveness of this policy and may update it from time to time. This policy is detailed in Appendix A.

We act on an execution-only basis, meaning we do not give any advice relating to your account or assets you invest in. You are responsible for your investment decisions.

Trading instructions we pass on to mutual fund managers, will be carried out by them in line with their order execution policies.

10.2 Buying assets

We will process and pass on trading instructions to buy assets to the appropriate fund managers, in line with our order execution policy. We will only pass on these instructions after we have received the information that we reasonably request and matched the trading instruction with the appropriate payment, available cash in your account or on confirmation of a sell instruction.

Available cash can be used to buy assets, unless it is ring-fenced for another purpose, for example, a phased investment strategy.

10.3 Selling assets

Where we receive an instruction to sell an asset, together with any other information that we reasonably request, we will pass on the instruction to the appropriate fund manager as soon as is reasonably practicable and then in line with our order execution policy.
On receipt of confirmation of the sell instruction from the appropriate fund manager, the proceeds will be immediately available in your account.

When you come to sell assets, you should be aware that:

- it may take a long time to sell certain assets, for example, where there is not a readily available market,
- some assets cannot be sold until the end of a specified period, and
- some assets may incur early exit charges.

Your adviser is responsible for telling you about any limitations on the sale of assets and any charges that may apply, before you invest.

We will pass on instructions to the mutual fund manager, they will decide whether they can complete that instruction and will, where appropriate, deduct any exit charges before sending the cash proceeds to us.

Whenever an instruction requires the sale of assets, the sale will be treated as a disposal for capital gains tax purpose.

10.4 Incomplete transactions

In some circumstances it may not be possible to complete a transaction. This may happen if an asset cannot be traded when the instruction is placed because, for example, a fund has been closed to new investment. In such circumstances, we will write to you in line with section 19.

Where a failed transaction relates to a buy instruction, the amount relevant to that transaction will remain in your account as committed cash, until we receive your instructions.

10.5 Order aggregation

When buying or selling holdings in mutual funds, we, or any person dealing with instructions on our behalf, may aggregate your transactions in a particular fund on a particular day with those of other Zurich account holders buying or selling holdings in the same fund and on the same day. The costs of such aggregated transactions will be allocated on a fair and reasonable basis.

Where transactions are aggregated, it is possible that the cost to you could be higher than if the transaction had not been aggregated. For example, this may occur if more money is flowing out of a mutual fund than into it, and the fund manager reduces the unit price of the fund to protect the remaining investors. In such circumstances, we will usually treat this reduced unit price as the relevant value for your transaction, adjusted if necessary, to take account of any associated buying and selling costs.

10.6 Deferring transactions

Acting reasonably, we may delay or suspend passing on any trading instruction to a fund manager, for any of the reasons detailed in our order execution policy. We will not be liable for any losses caused to you by our decision to delay or suspend a trading instruction, unless it was caused by our negligence, fraud or wilful default in line with section 20.5.

Where possible, we will pass on a deferred trading instruction at the next available opportunity. Otherwise, we will cancel the transaction and inform you and your adviser.

Any fund manager may delay or suspend the execution of any trading instruction. The circumstances in which they may do this are detailed in the relevant fund manager’s simplified prospectus, key investor information document, or supplementary information document. These can be obtained for you by your adviser.

Where we receive a trading instruction to buy assets in a fund using the proceeds from assets sold in another fund, known as a ‘switch’, sometimes the fund from which units are being sold can have a longer settlement period than the one in which the units are being purchased. Where this occurs, we are required by the FCA to ensure we have sufficient assets available to cover the liability which arises between the purchasing of the units and our receiving settlement from the fund in which units have been sold. We may defer the purchase of units in a fund, pending receipt of the proceeds of the related sell instruction, where we reasonably believe that the level of the assets, which we are required to hold in respect of our customers, may adversely affect our liquidity. If we have to delay a transaction for this reason, we will contact you and your adviser as soon as reasonably practicable.

10.7 Correcting trading errors

Following the completion of a trading instruction, if we determine that your asset holdings are incorrect, we will return you to the position that you would have been in had that trading instruction been carried out correctly. Where possible and subject to section 9.4, we will correct the asset holding by buying or selling the appropriate number of units in the applicable asset. Where the amount due to your account is less than £10, or if more than £10, less than the value of a single unit, or if the fund manager will not accept the trade, we will pay the difference as cash into your account and not buy any units. Should legislation or regulation prevent us from making such a correction to your account, we will determine an appropriate method of redress and inform you and your adviser.
11. Ownership and custody of assets

Unless your account is assigned, you will at all times remain the beneficial owner who receives, or has the contractual right to receive the proceeds of your assets and available cash held in your account. If the account has been assigned, this will depend on the terms of the assignment.

We are responsible for making arrangements for the holding of your assets as follows:

- **Mutual funds**

  Your mutual funds holdings will be registered in the name of Sterling ISA Managers (Nominees) Limited, together with those of other customers of Sterling ISA Managers Limited and we are responsible for holding those mutual funds.

  **Sterling ISA Managers (Nominees) Limited**
  
  We have appointed Sterling ISA Managers (Nominees) Limited as our nominee to hold assets on our behalf. Sterling ISA Managers (Nominees) Limited is not authorised by the FCA. However we are regulated by the FCA, and accept full responsibility for Sterling ISA Managers (Nominees) Limited’s acts and omissions as our nominee.

  As holdings in mutual funds will be registered in the same name as other customers, they may not be immediately identifiable by separate certificates of title.

  We will identify, record and hold all such holdings separately from any of our assets in such a way that we can identify and locate those assets at any time.

  Any certificates of title or other evidence of title in respect of our unit holdings of mutual funds will be held by us or as we direct.

- **Cash**

  Cash due to your account, and cash in your account, will be held by us as client money and deposited in one or more pooled bank accounts with our banking partners. We keep client money separate from the cash that belongs to us in line with the requirements of the FCA rules.

  Client money is held as part of a common pool of money across all our customers, so you will not have a claim against a specific sum in a specific account in the event of our insolvency or the insolvency of any of the banks, including our chosen banking partners, with which we keep client money. Your claim will be against our client money pool in general. Should there be a shortfall in the client money pool after such an insolvency, the FCA rules mean that you may have to share in the shortfall in proportion to your original share of the claims to that client money immediately before the insolvency.

12. Charges and adviser remuneration

The charges that apply will depend on:

- the overall value of your account
- the charges that relate to the assets you hold in your account, and
- the terms of your agreement with your adviser for the services they provide to you.

Information about the specific asset charges that apply to your account are detailed in your Charges information documents.

Details of the cost associated with investing in assets are available from your adviser.

**Charges information document**

This document details the charges and remuneration that apply specifically to your account. We will send this to you when your account is first opened or when you instruct us to buy additional assets within your account, and with regular statements. We will then issue you with a new Charges information document if there is a change in a charge that we apply or to confirm changes to any remuneration you have agreed to pay your adviser. We will not issue a Charges information document for changes to asset charges.

12.1 Zurich charges

We apply the following charges to your account.

**12.1.1 Zurich Yearly charge**

We will apply a yearly charge to your account. The charge is calculated based on the value of all your assets, including any available cash, held in your account.

The following table shows the percentages we use to calculate the Zurich yearly charge.
0.35% on the first £100,000
0.30% on the next £150,000
0.25% on the next £250,000
0.10% on holdings above £500,000

For example:
On an account value that remained at £200,000 on every day for a complete year the Zurich yearly charge will be:

0.35% on £100,000 = £350.00
0.30% on £100,000 = £300.00

Total account value £200,000.00
Total Zurich yearly charge £650.00

This charge is calculated and accrued daily and will be deducted monthly from available cash in your account.

We will deduct the charge on or shortly after the same day each month and this will be determined by the date we process your application as described in section 5. If this was the 29th, 20th or 31st of any month, where necessary, we will deduct the charge on the last day of the month. Where the charge is due on a non-business day, we will deduct it on the next business day.

If the charge is greater than the value of available cash in your account, we will sell enough assets to make up the difference, in line with the disinvestment strategy, as described in section 13.

12.1.2 Interest charge
We will pay you a variable rate of interest on your cash holdings in line with section 9.3.1. Currently, we keep the first 0.10% of the interest rate we receive from our banking partners on any such cash holdings and pass the remainder on to you each month net of any tax or other deductions required by HMRC legislation. We will tell you if we change the amount of interest we keep. If the interest we receive from our banking partner is equal to or less than 0.10% each year, we will not pass on any interest to you.

12.2 Increases to our charges and new charges
As long as any increase or new charge is proportionate and reasonable, we may increase the charges or introduce new charges for any of the following reasons:

• To allow us to look after your account more effectively, or to reflect changes in technology or industry practice.

• To take account of a decision by a court, government body, ombudsman, regulator, industry body or similar body.

• To take account of changes to law, taxation, official guidance, codes of practice or the way we are regulated, including the amount of capital the FCA require us to keep.

• To take account of changes to levies or charges imposed by law or under the Financial Services Compensation Scheme or by the FCA (unless we are expressly prohibited from passing these on to our customers).

• Where we appoint a new third party to act on our behalf or where existing third parties such as, but not limited to, fund managers, choose to introduce new charges or increase their charges.

We will tell you about increases to our charges before we apply the increase.

12.3 Fund manager charges
Mutual fund managers will deduct charges, these may include bid/offer spreads, annual management charges and fund expenses.

A ‘bid/offer spread’ means units are bought and sold at different prices. The difference between the prices (the spread) represents the fund manager charge.

Annual management charges and fund expenses are ongoing charges that are typically deducted from fund assets every day before the fund price is calculated.

These charges and any changes to them are decided by the fund manager and may be increased or reduced without prior notice. The charges that apply when mutual funds are purchased are shown in your Charges information document. Details of the latest fund manager charges are available from your adviser. Updated charges relating to any funds you invest in will be detailed in the Charges information document we send you with your regular statements.

Some fund managers may also apply a dilution levy or dilution adjustment to buy or sell transactions. Fund managers will deduct any dilution levy before investing the payment, any dilution adjustments will be reflected in the fund price.

Details of fund charges will be made available to you by your adviser.
12.4 Adviser remuneration

You must agree with your adviser how much you will pay them for the advice and services they will provide to you. We will need your written authority, on a form agreed by us, before we will deduct remuneration payments from your account and pay them to your adviser.

Adviser remuneration, either as a percentage or fixed amount, may be deducted as:

- initial remuneration from each single payment, and/or
- a fixed number of regular remuneration payments, where at least one regular payment has been received, and/or
- ongoing remuneration, where remuneration payments are deducted regularly until they are stopped in line with these Terms and conditions, and/or
- a single payment deducted from available cash in your account.

If you agree that initial remuneration is payable on a single payment or single cash transfer, provided that we have received your written authority, adviser remuneration will be deducted from your account on the later of:

- the day after the payment is matched as described in section 7, and
- the day we process your written authority.

If we have not received your written authority, the amount your adviser requested will be held as available cash in your account until we receive it. This money will not be ring-fenced and it could be used to pay charges. If this happens, there will not be enough available cash and we will not be able to deduct the remuneration. You must arrange to make sufficient additional cash available in your account before we can deduct the remuneration.

Regular remuneration will be deducted, at a frequency you agree with your adviser, for a fixed number of deductions until the total amount agreed has been deducted. It cannot be deducted more often than the frequency of your most frequent regular payment. We will deduct the agreed amount from available cash in your account. If there is insufficient cash on the date remuneration becomes payable, we will be unable to deduct the remuneration payment on that due date. As such, where deductions are missed, it will take longer to pay the fixed number of deductions to your adviser.

Ongoing remuneration will, once authorised, accrue daily and be deducted at a frequency you agree with your adviser. It will be deducted from available cash you hold in your account. Where there is insufficient cash to pay for ongoing remuneration, we will sell assets to meet the difference in line with the disinvestment strategy, as described in section 13.

If regular or ongoing remuneration is payable, you can agree with your adviser whether the deduction from your account is made monthly, quarterly, half-yearly or yearly.

We will deduct the remuneration on or shortly after the same day each time and this will be determined by the date we process your application for your account, as described in section 5. If remuneration is due to be deducted on the 29th, 30th or 31st, then in the months that end before the due date, we will deduct the remuneration on or shortly after the last day of the month. Where the remuneration is due to be deducted on a day other than a business day, we will deduct it on the next business day.

You may ask us to stop regular or ongoing remuneration payments to your adviser at any time. If the process to make the deduction for either regular or ongoing remuneration has already been initiated, the deduction will be made in full. It will be up to you and your adviser to agree whether any refund is due to you from your adviser. Or, if a partial deduction is due, relating to ongoing remuneration from the date that the last deduction was made to the date that we process the notification, it will be deducted from your account on the next agreed deduction date.

If your account no longer has sufficient value to pay regular or ongoing remuneration, we will stop payments to your adviser. You may, however, still be liable to pay any outstanding regular remuneration to your adviser. If you and your adviser agree that regular remuneration or ongoing remuneration deductions are to be re-started, you will need to give us your written authority before this can happen.

If your account is closed or on your death, any ongoing remuneration amount due to your adviser up until the date we process the instruction from you or your personal legal representatives, will be deducted from your account as soon as reasonably practicable. We will not wait until the next agreed deduction date to make the deduction.
We will need your written authority before any of the following changes to your adviser’s remuneration can be made:

- increases,
- changes in basis, for example, from a fixed amount to a percentage,
- restarting ongoing or regular remuneration payments that have been stopped, or
- a single payment.

We will confirm any changes made to adviser remuneration by issuing a new Charges information document to you.

You agree that when a remuneration charge is deducted from your account, we will move it from one of our bank accounts that hold client money, to a bank account in our name. Once the deduction is made:

- it ceases to be your money, and will no longer be held by us as client money under FCA rules,
- your obligation to pay that remuneration charge to your adviser is discharged,
- it becomes our responsibility to pay your adviser, and
- we will hold the deducted amount on behalf of your adviser and deal with it as instructed by them. In exceptional circumstances, we may be unable to pay the adviser amounts deducted as remuneration following the termination of our agreement with them. For example, if their permissions have been removed by the FCA and the remuneration is not due to them. In such circumstances, the amount deducted will be credited to your account as soon as reasonably practicable.

The Charges information document will set out any agreed adviser remuneration you have authorised us to deduct from your account. All remuneration that has been deducted will also be shown in your regular statements.

13. The disinvestment strategy

Where there is insufficient available cash in your account to meet a deduction that is due as described in section 9.3, we will sell mutual fund assets in your account to cover the amount due.

We will sell mutual fund assets in your account, equivalent to the outstanding amount, subject to a minimum of £50. Where the outstanding amount is greater than £40, we will sell assets equivalent to the outstanding amount plus £10.

Any proceeds remaining from the sale of assets after charges, will remain as available cash.

The disinvestment strategy determines the order in which we sell mutual fund holdings. We will sell funds starting with the least volatile fund you are invested in.

**Least volatile fund**

The least volatile fund will be the fund with the lowest volatility rating measured by the amount of price fluctuation over a period of time. The relative volatility of the available funds is determined by a sub-contractor appointed by us.

Where possible, we will disinvest the full amount from the least volatile fund in your account. If the relevant fund value is insufficient to cover the full amount, we will deduct the balance from the next least volatile fund, until the outstanding amount has been paid.

**Treasured assets**

You may choose to exclude any specific assets from the disinvestment strategy. These are known as treasured assets. As part of the disinvestment strategy, we will not automatically sell treasured assets.

We may also choose to exclude certain mutual funds where we believe this is appropriate, such as where they are not priced on a daily basis.

In the event that you do not have enough available mutual fund holdings in your account to cover an amount due, we will contact you and your adviser to determine how you will pay us the amount due.

If we are unable to deduct the outstanding amount due from your available mutual fund holdings and you and your adviser do not confirm how the amount is to be deducted, we may sell treasured assets to cover the outstanding amount. Where we do so, we will sell assets from the asset holding with the highest value on the date we issue the instruction.

14. Withdrawals

You can instruct us to set up withdrawals from your account. These instructions must include all the information that we require, this is detailed on the withdrawal request form which is available from your adviser, or directly from us.

Withdrawals must be a specified cash amount in pounds sterling.
We will make withdrawal payments, in line with the instructions we receive, by BACS to a nominated UK bank or building society account verified by us.

We may prevent withdrawals where we know of, or suspect fraud or money laundering.

14.1 One-off withdrawals

One-off withdrawals can be deducted from available cash in your account. If you do not have enough available cash to cover the withdrawal, you must provide us with instructions confirming what assets you want to sell to provide sufficient available cash from which the withdrawal can be paid.

It is your responsibility to ensure there is sufficient available cash in your account for us to make the withdrawal at the requested time.

A minimum of five days will apply from when we process an instruction to make a one-off withdrawal to when it is actually paid.

If we receive an instruction to withdraw the full value of your account, where applicable, we will:

- deduct any charges due, any adviser remuneration accrued up to the date of the withdrawal, and/or
- delay paying the withdrawal until any uncleared payments, or expected direct debits, become cleared funds.

14.2 Regular withdrawals

When you instruct us to set up a regular withdrawal, we will apply an income payment strategy to fund the regular withdrawals. This income payment strategy will fund your withdrawals by selling asset holdings proportionately based on the value of each asset. By default the income payment strategy will exclude any available cash holdings and assets you have selected as treasured assets. However, you may choose to include available cash and/or treasured assets within that income payment strategy when you instruct us to set up the regular withdrawals.

We will sell assets in line with the income payment strategy, up to ten business days before a regular income payment is paid to you.

Regular withdrawals can be paid monthly, quarterly, half-yearly or yearly on any date between the 1st and the 28th of the month inclusive. An end date can also be specified. The specified start date must be at least ten business days from the later of either:

- the date we process valid instructions, or
- the date the money is received in your account, or
- the date we verify the bank or building society account to which we will pay the withdrawal.

To change the amount or frequency of a regular withdrawal, or to change the bank or building society account to which the regular withdrawal is being paid, you must provide us with a new regular withdrawal instruction.

If a regular withdrawal is due on a non-business day, you will receive it on the last business day before the due date.

If the income payment strategy fails for any reason, but there remains sufficient value in your account to support it, the withdrawal will still be paid. The withdrawal will be funded from available cash in your account. If there is insufficient available cash, we will sell assets in line with the disinvestment strategy described in section 13.

15. Ending the agreement with your adviser

Your agreement with your adviser may end because either you, or your adviser, want to end that agreement. However, for the purposes of these Terms and conditions, it may also end because the agreement between us and your adviser ends, for example, because the adviser’s permissions are removed by the FCA.

Where your agreement with your adviser ends, you should notify us of this fact as soon as possible.

Where we receive notification of the end of your agreement with your adviser, we will remove your adviser from your account and stop any deductions for regular or ongoing remuneration as soon as reasonably practicable.

If, prior to us processing such notification, the process to make a deduction for either regular or ongoing remuneration has already been initiated, the deduction will be made in full. It will be up to you and your adviser to agree whether any refund is due to you from your adviser.

If ongoing remuneration is (or will be) due in respect of the period between the most recent deduction and the date we process the notification, this amount will be deducted from your account on the next agreed deduction date (or earlier if another provision of these Terms and conditions applies).
If the agreement between us and your adviser ends, we will stop any deductions for regular and ongoing remuneration from the date that we process the removal of the adviser from your account. Depending on our agreement with your adviser, we may deduct any ongoing remuneration due from the last deduction date up until the date we remove your adviser from your account. Where we do this, we will not wait for the next deduction date but instead make the deduction as soon as reasonably practicable. Where any remuneration remains due from you to your adviser, they may contact you to arrange an alternative method of payment.

Any remuneration which we deduct from your account will be held in line with section 12.4 on behalf of your adviser.

If, for any reason, your agreement with your adviser ends, you can appoint a new adviser. Where you appoint a new adviser you must agree with them how much you will pay them for the advice and services they provide to you. Where they ask us to deduct their remuneration from your account, you must provide us with your written authority for us to do so.

16. If you die

When we receive notification of your death, or where applicable the death of the last surviving account holder, we will send details of what we need to your legal personal representative.

- stop all regular payments into your account
- stop all future regular withdrawals,
- continue to make remuneration payments to your adviser, until we receive instructions from your legal personal representatives to stop this, and
- leave the assets in your account, in line with our order execution policy, and deduct any outstanding charges and any adviser remuneration payable and hold the remaining value as available cash. We will do this as soon as reasonably practicable.

Once we receive all documents and information we reasonably request from your legal personal representative, to ensure the money is paid to the correct person(s), we will pay the proceeds accordingly.

Your adviser will be responsible for working with your legal personal representatives to provide the information that we require.

These Terms and conditions will be binding on your legal personal representatives.

17. Closing your account

Unless you instruct us otherwise, we will close your account:

- after the full value has been withdrawn or re-registered, or
- where there is a material breach in the Terms and conditions by you.

We will tell you before we close your account.

If you do not have an adviser and ask us to close your account, we will do so but this will be at your own risk.

18. Changes we can make to these Terms and conditions

This document sets out the Terms and conditions. Only we can change or add to the Terms and conditions.

We may alter the Terms and conditions (including any provisions that apply to your payments and assets) to the extent that the change is proportionate and reasonable for any of the following reasons:

- To take account of changes to, or to comply with the law, taxation, official guidance, codes of practice, the way in which we are regulated or the amount of capital we need to hold.
- To provide for the introduction of new or improved systems, methods of operation, service or facilities.
- To take account of a recommendation, requirement or decision of any court, government body, ombudsman, regulator or similar body.
- To make these Terms and conditions clearer or more favourable to you.
- To put right any mistake we may discover in future.
- To reflect changes in technology or industry practice.
- To reflect any change to our corporate structure arising from any reorganisation of our business, that does not unfavourably affect your account but requires us to make certain changes to these Terms and conditions.
- To allow for changes to levies or charges imposed by law or under the Financial Services Compensation Scheme or by the FCA (unless we are told we must not pass these onto our customers).
• If, in our reasonable opinion, we are at material risk of becoming insolvent and this may be avoided by changing these Terms and conditions and the changes are in the interests of our account holders as a whole.

Wherever reasonably possible, we will let you know at least three months before we make any changes to these Terms and conditions. Otherwise, we will tell you about any changes when we send you your regular statement. You can get the most up-to-date version of these Terms and conditions from your adviser or directly from us.

19. Corporate actions
The assets you invest in may be affected by elective or mandatory corporate actions.

**Elective corporate action**
When an action taken by an institution affects investors, for example, a rights issue. Investors are asked to make a choice from a variety of options, including a default option that will apply if no election is made.

**Mandatory corporate action**
These may apply when an action by an institution or fund manager affects investors, for example, fund mergers or closures, company mergers, takeovers or reorganisations. Investors will have no option but to participate in the corporate action.

Where you are invested in a fund that is subject to a mandatory corporate action, we will assess the extent to which that corporate action will affect the fund, for example, if it materially changes the risk profile or structure of the fund. If a corporate action materially affects a fund you are invested in, we will tell you and inform your adviser in advance, or otherwise as soon as reasonably possible. It is the responsibility of you and your adviser, to assess whether the fund remains suitable for your circumstances.

In the event that you have holdings in a fund at the time it is closed, they will be sold and the proceeds held as available cash in your account.

20. Other terms
If any provision in these Terms and conditions is found to be invalid by any court, the invalidity of that provision will not affect the validity of the remaining provisions of these Terms and conditions, which will remain in full force and effect.

The failure or delay either by us or you to exercise or enforce rights, or enforce any obligation, under these Terms and conditions is not a waiver of those rights and it will not prevent subsequent enforcement of those obligations.

Headings in these Terms and conditions are for convenience only and have no legal effect.

Only you, your legal personal representative or we can enforce the terms of this agreement. We exclude the rights of others under the Contracts (Rights of Third-Parties) Act 1999 to enforce any provision of this agreement.

20.1 Events beyond our control
We may be unable to perform our obligations under these Terms and conditions where events occur that are beyond our reasonable control. These events include, but are not limited to:

• riot, civil unrest, military action or terrorism,
• fire, explosion, earthquake, storm, flood, epidemic or other natural disaster,
• strikes, lockouts or other industrial action,
• unforeseeable restrictions imposed by legislation, regulation or other government initiative that are not the result of our misconduct,
• any change in market conditions affecting the execution or settlement of transactions in respect of your account,
• any cyber-attack on our IT systems,
• any failure in transport networks or other utilities such as power, telecommunications networks or water leading to unavoidable disruption,
• a change in your residency where you move abroad, as described in section 20.2, or
• any other event or circumstance that we are unable, using reasonable skill and care, to avoid.

Where an event beyond our reasonable control occurs, and if you are being, have been, or are likely to be disadvantaged, we will, whenever possible, let you or your adviser know as soon as reasonably practicable.

If the event continues for a period in excess of three months, we may take appropriate action, acting reasonably, proportionately and fairly, which may include closing your account.
20.2 Moving abroad
Your account is designed for individuals who are resident in the UK. If you move to another country outside the UK, your account may no longer be suitable for your individual needs. UK laws or the local laws and regulations of the jurisdiction to which you move may impact our ability to continue to operate your account in line with these Terms and conditions.

You must tell us of any planned change in your residency while you have your account, prior to such change becoming effective.

20.3 Transferring our duties
We may delegate any of our functions under these Terms and conditions to another person or persons without your consent and we can give them any information about you that they may reasonably require for this purpose. We will carry out any transfer of your personal information in line with our data protection statement (see Appendix B).

Where we delegate any of our functions under these Terms and conditions, we will satisfy ourselves of the competence of the other people to carry out those functions and responsibilities.

Your rights and benefits and our liability under these Terms and conditions will not be affected where we choose to delegate any functions.

20.4 Disclosure
You authorise us to disclose to (1) any tax authority including HMRC, (2) any regulatory authority, (3) the police or such other persons, as required by law or (4) as otherwise required so we can carry out our duties under these Terms and conditions, any information they may require in relation to you and your account. In addition, you authorise us to comply with any other tax obligations of the UK or elsewhere applying to Zurich or the Zurich Group, including tax reporting and the deduction of any withholding tax.

20.5 Liability
We will exercise due care and diligence in operating your account. We will not be liable to you for:

- any loss on your cash holdings or assets that may arise, unless it was caused by our negligence or wilful default, or
- our acts or omissions or those of any adviser, fund manager or banking partner, except if they arise as a result of our negligence or wilful default.

This limitation of liability is subject to us complying with these Terms and conditions and the FCA rules.

Nothing in these Terms and conditions is intended to:

- exclude our liability for death, personal injury, fraud, fraudulent misrepresentation or any other matter that cannot be excluded or limited by law, or
- exclude or limit our duties and liabilities to you under the Financial Services and Markets Act 2000 (or any successor legislation) and rules of the FCA (or any successor regulator).

20.6 Conflicts of interest
We make every effort to identify conflicts of interest. A conflict of interest is where the interests of our business conflict with those of a customer, or if there is a conflict between customers of the business. Once identified, we aim to either prevent the conflict or put steps in place to manage it so that it is no longer potentially detrimental to our customers.

We have processes in place to ensure we conduct our business lawfully, with integrity, and in line with current legislation. We operate in line with our conflicts of interest policy, available on request or on our website, which details the types of conflicts of interest that affect our business and how we aim to prevent or manage these. Where we cannot prevent or manage a conflict which may be detrimental to you, we will fully disclose it to you in line with our policy.

20.7 Law
Our relationship with you and these Terms and conditions are subject to English law and the exclusive jurisdiction of the English courts.

20.8 Compensation
We classify you as a ‘retail client’ under the FCA rules. This means you will receive protection for complaints and compensation and receive information in a straightforward way.

Your adviser will recommend accounts that are suitable for your needs. You have a legal right to compensation if, at any time, an authority decides that a recommendation was not suitable when it was made.

If we, or any of the providers of assets or investment services available through your account cannot meet any financial obligations, you may be able to claim compensation from the Financial Services Compensation Scheme (FSCS). The compensation you may receive will be based on the FSCS rules and whether you are eligible to make a claim. You could lose all or some of your money.
The FSCS is a fund of ‘last resort’, only stepping in if the provider of the investment is in default.

**Default**
A provider is in default if it is unable or likely to be unable, to pay any claims made against it. This will generally be because the provider has stopped trading and does not have enough assets to meet claims made against it, or because it is insolvent.

The FSCS will not cover you:
- if the provider has stopped trading but still has assets to meet its claims
- for poor investment performance.

To make a claim, the provider in default must be the provider that ultimately owns the assets you have invested in. It must also be:
- An FCA authorised firm. All providers based in the UK carrying out investment business must be authorised by the FCA. You can check if a company is an FCA authorised firm on the FCA website – www.fca.org.uk.
- An EEA (European Economic Area) UCITS management company for a UCITS scheme.
- An EEA firm that has made a payment to be part of the FSCS.

**UCITS**
UCITS are investment funds which can be authorised in one EEA country but operated across the whole EEA.

If a provider is in default and you satisfy the criteria to be eligible to make a claim, the limits to your compensation would be as follows:

**Sterling ISA Managers Limited**
A claim for the administration of the accounts may be covered up to a maximum of £50,000. This will rise to £85,000 from April 2019.

**Banking partners**
The FSCS may cover any claim for cash held in your account with our banking partners, or banks within the same banking group, up to a maximum of £85,000.

This limit includes any cash held in your account together with any other money you hold with the same bank. It may also include money you hold with other banks within the same banking group.

**Mutual fund manager**
If a mutual fund manager cannot meet its financial obligations, any claim may be covered up to a maximum of £50,000. This will rise to £85,000 from April 2019.

You can contact the FSCS for more information:

**Website:** www.fscs.org.uk, or contact them at:
**Telephone:** 0800 678 1100 or 020 7741 4100
**Address:** Financial Services Compensation Scheme, 10th Floor Beaufort House 15 St Botolph Street London EC3A 7QU

**20.9 How to complain**
If you need to complain, please contact us. Our contact details are in section 20.17.

You can ask us for details of our complaints handling process.

If you are not satisfied with our response, you can complain to the Financial Ombudsman Service.

**Website:** www.financial-ombudsman.org.uk
**Email:** complaint.info@financial-ombudsman.org.uk
**Telephone:** 0800 023 4567 or 0300 123 9123
**Address:** The Financial Ombudsman Service, Exchange Tower, Harbour Exchange Square, London, E14 9SR

This service is free and using it will not affect your legal rights.

**20.10 Data Protection**
Zurich takes your privacy very seriously and is committed to ensuring the way we collect, hold, use and share information about you complies fully with data protection legislation. Please read the ‘Your privacy is important to us’ statement, included as Appendix B of these Terms and conditions. You have been asked to confirm that you have read this as part of the application process.
You agree that we may record telephone conversations between you and us, and use such recordings, or transcripts from such recordings, as well as any emails or messages you send us, for training purposes, for the purposes of investigating any complaint you may make, or as evidence in any dispute or anticipated dispute between you and us.

20.11 Our regulator
Sterling ISA Managers Limited, trading as Zurich is authorised and regulated by the Financial Conduct Authority (FCA).

Website: www.fca.org.uk
Telephone: 0800 111 6768 (freephone)
Address: Financial Conduct Authority
12 Endeavour Square
London
E20 1JN

20.12 Anti-money laundering and fraud
To comply with the Money Laundering Regulations 2007, your adviser will verify your identity and the identities of anyone else connected to your account when you apply for it. We may ask to see extra identification or perform electronic checks to validate your identity.

We can refuse to allow any payments to or from your account if:

• we believe or suspect it may place us in breach of any legislation or law, or

• we believe or suspect it relates to fraud or any other criminal act.

To prevent financial crime, your details may be passed to governmental, regulatory or other bodies as required by law.

You will be responsible for any unauthorised transaction where you or anyone you authorise has acted fraudulently in relation to your account.

20.13 Sanctions
We will not provide you or your adviser with any services or benefits if in doing so we violate any applicable (including UK, EU and USA (Office of Foreign Asset Control)) financial sanctions, laws or regulations. This could result in us having to terminate your account with us.

20.14 HMRC practice
These Terms and conditions are based on our understanding of current HM Revenue & Customs practice (HMRC).

Taxation law and HMRC practice may change from time to time and such changes cannot be foreseen. If there is any change in law or taxation that makes it impracticable or impossible to carry out these Terms and conditions, we reserve the right to vary them and we will inform you of any such change at the first practicable opportunity.

Your account is designed for individuals who are resident in the UK. We do not offer any tax advice so, if you decide to live outside of the UK, we recommend you obtain advice on the tax consequences of changing your country of residence in relation to your account. We will not be held liable for any adverse tax consequences that arise in respect of you or your account as a result of such a change in residence.

20.15 Identifying the lawful claimant following the death of an account holder
It is possible that we may become aware of your death other than by a notification from, or on behalf of, your next of kin or the person who is dealing with your estate. For example, we could be told by the Department for Work and Pensions or such other third party. It is also possible that, even though we haven’t been told you are dead, we have reason to believe that you might have died. If so, we can take reasonable steps to verify the position and, if appropriate, to identify who should claim the assets held within your account.

Where we reasonably incur external costs in doing this, for example, obtaining a death certificate and/or identifying and tracing the new legal owner(s), we will recover those costs by deducting them from any payment we make from your account. The costs that we recover will not be more than £250 as at March 2016. This maximum charge will increase in line with the increase in the Average Weekly Earnings (AWE) in December each year. If there is no increase in the AWE, there will be no change in the maximum charge. If our enquiries lead us to conclude that you are not dead, we will not recover any costs.
20.16 Contacting you
Currently we send correspondence such as regular statements by post. Otherwise, if we need to contact you, we will usually contact you in writing by post, telephone, or where you request, by email. In future, we may start to send our correspondence by email. Where we send correspondence by email, we will never ask you to divulge personal information or send you a link to any website.

We will send you a schedule of the key information which we hold in connection with your account shortly after you open it. In addition, from time to time the information we hold about you may change, for instance you may move house. Where we are informed by you or your adviser that there is a material change to the information we hold about you we will send you a summary of changes document. If the information contained in the schedule or a summary of changes document is incorrect then you must tell us as soon as possible.

20.17 How to contact us
Please contact us by email, by telephone or in writing.

Email: zurichportfolioteam@uk.zurich.com
Phone: 0345 607 2013
Phone lines are open from 8am until 6.30pm Monday to Friday and 9.30am to 12.30pm on Saturday. We are not open on bank holidays.

We may record or monitor calls to improve our service.

Write to: Zurich Portfolio Team
PO Box 1200
Cheltenham
GL50 9UP

We want everyone to find it easy to deal with us. Please let us know if you need information about our accounts and services in a different format. All our literature is available in large print or braille, or on audiotape or CD.

If you are a textphone user, we can answer any questions you have through a Typetalk Operator. Call us on 18001 0345 607 2013. Or, if you’d prefer, we can introduce your adviser to a sign language interpreter.
Appendix A
Zurich’s order execution policy

Glossary

Adviser – A business or individual authorised and regulated by the Financial Conduct Authority (FCA), including any appointed representative of the adviser, permitted by us to distribute the Zurich Investment Account and who has agreed with us terms of business relating to this product.

Confirmation of Execution – the confirmation which we receive from a fund manager or other execution venue that a transaction has been executed, stating the volume of assets and the price at which the transaction has been executed.

Consideration – the price of the relevant units in a mutual fund together with any costs and expenses directly related to the execution of the transaction.

Cut-off Point – the last time at which we accept instructions to trade in a mutual fund for execution at a particular valuation point. Instructions to trade received after the cut-off point will only be executed at the next valuation point.

Execution – when an instruction to trade is irrevocably accepted by the relevant mutual fund manager.

Execution Venue – the market or arena where a trade is carried out. In the case of mutual funds available through the Zurich Investment Account, this is the relevant mutual fund manager.

Market Disruption – a situation where markets function in an irregular manner, potentially amounting or leading to severe and rapid decline. Causes may include physical threats (e.g. terrorism) or unusual trading (e.g. market crashes).

Settlement Period – the time required for securities and consideration to be transferred between the parties to a transaction following execution.

Units – redeemable shares or units in a mutual fund, including units in Unit Trusts and shares in Open Ended Investment Companies (OEICs).

Valuation Point – a specified time at which a fund manager sets the unit price. As this is a specified time in the future, it is not possible to know the exact price applicable to the transaction until we have received confirmation of execution.

Introduction

We will ensure this order execution policy is kept up to date following any changes. This document summarises the order execution policy of Sterling ISA Managers Limited, trading as Zurich, for the Zurich Investment Account. When we refer to Zurich, ‘us’, ‘our’ or ‘we’ in this document, we mean Sterling ISA Managers Limited, trading as Zurich.

We are committed to acting in your best interests and treating you fairly. We have put in place an order execution policy, as this enables us to take all sufficient steps to obtain the best possible result for you when we execute your instructions to trade.

The order execution policy should be read alongside our Zurich Investment Account Terms and conditions. By accepting those Terms and conditions, you agree that your instructions to trade may be carried out in line with our order execution policy.

It is important that you read this document and understand how we process your instructions to trade.

We will generally apply our order execution policy to each of your instructions to trade. However, if you provide us with specific instructions as to how your instructions to trade should be executed, we will have complied with our obligation to take all sufficient steps to obtain the best possible result for you by executing your instruction to trade in line with those instructions. Such instructions may prevent us from following our order execution policy.

Where your instructions only apply to part of your instruction to trade, the remaining parts of your order will still be subject to our order execution policy.
Placing an instruction to trade

You can submit your instructions to trade directly to us using the relevant form. You can also ask your adviser to submit your instructions to trade for you, but we require you to first provide explicit authorisation for those instructions by way of signature on the relevant form provided by us.

When we receive trading instructions for a ‘buy’ transaction, we match them with the corresponding payment into the Zurich Investment Account, or with available cash already held in that account. If you are funding a ‘buy’ transaction with the proceeds of a ‘sell’ transaction (a ‘switch’), we match the ‘buy’ trading instruction once we have received confirmation of execution of the ‘sell’ transaction from the relevant fund manager.

The proceeds of successfully completed ‘sell’ instructions, that are not being used to fund a ‘buy’ transaction, will be made available as cash in the Zurich Investment Account. This will happen once we have received confirmation of execution of the ‘sell’ transaction from the relevant fund manager.

Where we receive a trading instruction to buy units in a fund using the proceeds from units sold in another fund, sometimes the fund in which units are being sold can have a longer settlement period than the one in which units are being purchased. Where this occurs, we are required by the FCA to ensure we have sufficient assets available to cover the liability which arises between the purchasing of the units and our receiving settlement of the sale proceeds from the fund in which units have been sold. We may defer the purchase of units in a fund, pending receipt of the sale proceeds. We may do this where we reasonably believe that holding sufficient assets to meet these requirements could adversely affect our liquidity. If we have to delay a transaction for this reason, we will contact you or your adviser as soon as we reasonably can, to keep you informed about when the transaction may complete.

Reasons for any delay or suspension of trading instructions

Acting reasonably, we may delay or suspend passing on any trading instruction to any fund manager. We may do this where any event, act or circumstance outside our reasonable control affects (or can reasonably be expected to affect) our ability, or the ability of another party, to act on the trading instruction in line with applicable law and regulation or in your best interests. For example, this might occur in the event of market disruption.

Execution Factors

To get the best possible result for you, we usually take into account a number of ‘execution factors’ when executing your instructions to trade in mutual funds:

<table>
<thead>
<tr>
<th>Your characteristics</th>
<th>Because you are categorised as a ‘retail client’, in the absence of express instructions from you, we will give the highest importance to total consideration. This is the price of the relevant units in mutual funds together with any costs and expenses related to the execution of your instructions.</th>
</tr>
</thead>
<tbody>
<tr>
<td>The characteristics of the trade</td>
<td>Whether we are instructed to buy or sell assets.</td>
</tr>
<tr>
<td>The characteristics of the financial instrument</td>
<td>The mutual fund units which are being traded.</td>
</tr>
<tr>
<td>The characteristics of the execution venues</td>
<td>The fund manager that executes the trade.</td>
</tr>
</tbody>
</table>

Mutual Funds available through your account

The Zurich Investment Account provides access to a range of mutual funds. You can instruct us to buy and sell units in these funds.

Once an instruction to trade has been submitted and sufficient cash is available in your account, the trade will be passed on to the relevant fund manager who will execute the instruction at the next available valuation point.

To ensure that we pass on the instructions to the relevant fund manager in time for each valuation point, we operate a cut-off time for receipt of instructions which is approximately one hour before the fund valuation point. An instruction received after this cut-off time will be passed on for execution at the next available valuation point. It is important to note that not all mutual funds trade daily.

The fund manager will set the price at the relevant valuation point. This means that you will not know in advance the price which applies to your transaction.
The mutual funds available through the Zurich Investment Account include, but are not limited to:

- Open Ended Investment Companies (OEICs);
- Unit Trusts; and
- Sociétés d’Investissement à Capital Variable (SICAVs).

Before we pass an instruction to buy to the relevant fund manager, there must be sufficient available cash in your account. Alternatively, we must have received confirmation of execution of an instruction to sell where the proceeds are at least equal to the value of the instruction to buy and any related execution costs.

Should a scheduled trade for units in a mutual fund fail for any reason, we will contact you or your adviser on your behalf to explain why this has happened. You will need to re-submit the instruction to trade if you wish to proceed with it.

**Aggregated orders**

On any given day, we may receive a number of instructions to trade, relating to the same mutual fund, from different customers with Zurich Investment Accounts or other products provided by Zurich.

We combine all the instructions to trade we receive for the same mutual fund, and by the same cut-off point and pass them on to the fund manager. This is known as ‘aggregation’.

When we aggregate orders, there is no possibility of our aggregated order being completed only in part, as this is not allowed by Zurich’s systems and controls.

Where transactions are aggregated, it is possible that the cost to you could be higher than if the transaction had not been aggregated. This may occur if more money is flowing out of the mutual fund than into it, and the fund manager reduces the unit price of the fund to protect the remaining investors. We will usually treat this reduced unit price as the relevant value for the transaction, adjusted, if necessary, to take account of any associated buying and selling costs.

**Specific instructions**

If you have given instructions that price is not the most important factor, we will make every effort to comply with your instructions but cannot guarantee this. This may be due to the characteristics of the order or type of asset. In executing specific instructions, we may not be able to apply the standards set out in this order execution policy.

**Record Keeping**

We create and maintain records of all individual instructions to trade that we receive. Records are created on the day on which the instruction is received. We also record details of the instructions to trade that we pass on to fund managers.

We will produce trading confirmations on all completed trades in mutual funds.

**Execution Venues**

When you instruct us to execute a trade, we will use the fund manager of the relevant mutual fund as the execution venue. This means we will not execute your instructions to trade on a regulated market or multilateral trading facility. We maintain a list of the mutual funds available through the Zurich Investment Account and their fund managers. This list is available from your adviser or directly from us, using our contact details set out in section 20.17 of the Zurich Investment Account Terms and conditions.

**Monitoring and Reviewing**

We continually monitor the effectiveness of our order execution policy and the execution quality of the fund managers. Additionally, we complete a yearly review of the order execution policy, as well as reviewing it whenever a material change occurs that could affect our ability to continue to obtain the best possible result for you.

We will ensure this order execution policy is updated following any material changes to our order execution policy. The latest order execution policy is available from your adviser or directly from us using our contact details set out in the Zurich Investment Account Terms and conditions.

You should notify us immediately of any concerns you have in relation to the execution services provided to us by these third parties.

Should you have any questions about our order execution policy, please contact your adviser.
Appendix B

Your privacy is important to us

Who controls my personal information?
This statement tells you how Sterling, as data controller, will deal with your personal information. Sterling is a trading name of Zurich Assurance Ltd and also refers to Sterling ISA Managers Ltd. Both companies are part of the Zurich Group. Where Sterling introduces you to a company outside the Zurich Group, that company will tell you how your personal information will be used.

You can ask for further information about our use of your personal information or complain about its use in the first instance, by contacting our Data Protection Officer at: Zurich Insurance Group, Tri-centre 1, Newbridge Square, Swindon, SN1 1HN or by emailing the Data Protection Officer at GBZ.General.Data.Protection@uk.zurich.com.

If you have any concerns regarding our processing of your personal information, or are not satisfied with our handling of any request by you in relation to your rights, you also have the right to make a complaint to the Information Commissioner’s Office. Their address is: First Contact Team, Information Commissioner’s Office, Wycliffe House, Water Lane, Wilmslow, SK9 5AF.

What personal information will you collect about me?
We will collect and process the personal information that you give us by phone, email, filling in forms, including on our website, and when you report a problem with our website. We also collect personal information from your appointed agent such as your trustee, broker, intermediary or financial adviser in order to provide you with the services you have requested and from other sources, such as credit reference agencies and other insurance companies, for verification purposes. We will also collect information you have volunteered to be in the public domain and other industry-wide sources.

We will only collect personal information that we require to fulfil our contractual or legal requirements unless you consent to provide additional information. The type of personal information we will collect includes; basic personal information (i.e. name, address and date of birth), occupation and financial details, health and family information, claims and convictions information and where you have requested other individuals be included in the arrangement, personal information about those individuals.

If you give us personal information on other individuals, this will be used to provide you with a quotation and/or contract of insurance and/or provision of financial services. You agree you have their permission to do so. Except where you are managing the contract on another’s behalf, please ensure that the individual knows how their personal information will be used by Zurich. More information about this can be found in the ‘How do you use my personal information’ section.

How do you use my personal information?
We and our selected third parties will only collect and use your personal information (i) where the processing is necessary in connection with providing you with a quotation and/or contract of insurance and/or provision of financial services that you have requested; (ii) to meet our legal or regulatory obligations, or for the establishment, exercise or defence of legal claims; (iii) for our “legitimate interests”. It is in our legitimate interests to collect your personal information as it provides us with the information that we need to provide our services to you more effectively including providing you with information about our products and services. We will always ensure that we keep the amount of information collected and the extent of any processing to the absolute minimum to meet this legitimate interest.

Examples of the purposes for which we will collect and use your personal information are:
• to provide you with a quotation and/or contract of insurance
• to identify you when you contact us
• to deal with administration and assess claims
• to make and receive payments
• to obtain feedback on the service we provide to you
• to administer our site and for internal operations including troubleshooting, data analysis, testing, research, statistical and survey purposes
• for fraud prevention and detection purposes.
We will use your health information and information about any convictions for the purposes of providing insurance, and this includes arranging, underwriting, advising on or administering an insurance contract between you and us.

We will contact you to obtain consent prior to processing your personal information for any other purpose, including for the purposes of targeted marketing unless we already have consent to do so.

Who do you share my personal information with?

Where necessary, we share personal information for the purposes of providing you with the goods and services you requested with the types of organisations described below:

- associated companies including reinsurers, suppliers and service providers
- brokers, introducers and professional advisers
- survey and research organisations
- credit reference agencies
- healthcare professionals, social and welfare organisations
- other insurance companies
- comparison websites and similar companies that offer ways to research and apply for financial services products
- fraud prevention and detection agencies.

Or, in order to meet our legal or regulatory requirements, with the types of organisations described below:

- regulatory and legal bodies
- central government or local councils
- law enforcement bodies, including investigators
- credit reference agencies
- other insurance companies.

We may also share the following data with the types of organisations outlined above, for the purpose of statistical analysis, research and improving services:

- anonymised data - data encrypted to make it anonymous, which protects an individual’s privacy by removing personally identifiable information
- pseudonymised data - personally identifiable information replaced with a pseudonym to make the data less identifiable, such as replacing a name with a unique number
- aggregated data - similar groups of data, such as age, profession or income which are expressed as a summary for statistical analysis.

How do you use my personal information for websites and email communications?

When you visit one of our websites we may collect information from you such as your email address or IP address. This helps us to track unique visits and monitor patterns of customer website traffic, such as who visits and why they visit.

We use cookies and/or pixel tags on some pages of our website. A cookie is a small text file sent to your computer. A pixel tag is an invisible tag placed on certain pages of our website but not on your computer. Pixel tags usually work together with cookies to assist us to provide you with a more tailored service. This allows us to monitor and improve our email communications and website. Useful information about cookies, including how to remove them, can be found on our websites.

How do you transfer my personal information to other countries?

Where we transfer your personal information to countries that are outside of the UK and the European Union (EU) we will ensure that it is protected and that the transfer is lawful. We will do this by ensuring that the personal information is given adequate safeguards by using ‘standard contractual clauses’ which have been adopted or approved by the UK and the EU, or other solutions that are in line with the requirements of European data protection laws.

A copy of our security measures for personal information transfers can be obtained from our Data Protection Officer at: Zurich Insurance Group, Tri-centre 1, Newbridge Square, Swindon, SN1 1HN, or by emailing the Data Protection Officer at GBZ.General.Data.Protection@uk.zurich.com.
How long do you keep my personal information for?

We will keep and process your personal information for as long as necessary to meet the purposes for which it was originally collected. There are a number of factors influencing how long we will keep your personal information, and these are shown below:

- to comply with applicable laws and regulations or set out in codes issued by regulatory authorities or professional bodies
- our business processes, associated with the type of product or service that we have provided to you
- the type of data that we hold about you
- if your data relates to any ongoing, pending, threatened, imminent or likely dispute, litigation or investigation
- to enable us to respond to any questions, complaints, claims or potential claims
- if you or a regulatory authority require us to keep your data for a legitimate purpose.

What are my data protection rights?

We will, for the purposes of providing you with a contract of insurance, processing claims, reinsurance and targeted marketing, process your personal information by means of automated decision making and profiling where we have a legitimate interest and/or you have consented to this.

You have a number of rights under the data protection laws, namely:

- to access your data (by way of a subject access request)
- to have your data rectified if it is inaccurate or incomplete
- in certain circumstances, to have your data deleted or removed
- in certain circumstances, to restrict the processing of your data
- a right of data portability, namely to obtain and reuse your data for your own purposes across different services
- to object to direct marketing
- not to be subject to automated decision making (including profiling), where it produces a legal effect or a similarly significant effect on you
- to claim compensation for damages caused by a breach of the data protection legislation
- if we are processing your personal information with your consent, you have the right to withdraw your consent at any time.

You can exercise your rights by contacting our Data Protection Officer at: Zurich Insurance Group, Tri-centre 1, Newbridge Square, Swindon, SN1 1HN or by emailing the Data Protection Officer at GBZ.General.Data.Protection@uk.zurich.com.

What happens if I fail to provide my personal information to you?

If you do not provide us with your personal information, we will not be able to provide you with a contract or assess future claims for the service you have requested.

Please let us know if you would like a copy of this in large print or braille, or on audiotape or CD.