

New City Investment Managers

Investment Plan and ISA

Terms & Conditions

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1 Definitions

In these conditions, the words **'us'**, **'we'**, or **'our'** refer to Halifax Share Dealing Limited (HSDL), the provider of the **New City Investment Managers Limited (NCIM) ISA and Investment Plan** and Manager of the **ISA**. We are approved as an **ISA** Manager by HM Revenue and Customs. The **FSA** authorises and regulates us. We will manage your **ISA** in line with these conditions and the **ISA Regulations**.

The words **'you'** or **'your'** refer to our client, being the person who becomes registered with us to use the **NCIM ISA and /or Investment Plan**. Where an **Investment Plan** is held jointly, all named parties will have joint and several duties and responsibilities. This means that any one joint holder can place or confirm an instruction which will bind all parties to the **account**.

For ease of reading, these words are not shown in bold type. We have put the following words and phrases in bold type because they have a special meaning.

Account – your **Investment Plan** Account or **ISA** as applicable. An **Investment Plan** account means an **NCIM Investment Plan** Account, an **ISA** means an **NCIM ISA**. The **ISA** and **Investment Plan** Account have the ability to hold cash and **investments**. Any cash is held pending investment. When we say credit or debit your **ISA** or **Investment Plan**, we mean credit or debit the cash element of the **account**.

Approved Bank – a bank registered in the UK where we may deposit money.

Conflicts of Interest Policy (COIP)

Our Policy on the management of conflicts of interest. It describes the steps we take to identify and manage conflicts that may arise. A summary of our **COIP** has been provided to you.

Contract note – a written record, giving the details of a **deal**, includes all charges and the total amount payable by or to you.

Corporate action – a rights issue, take-over, merger, capital reorganisation, conversion, subscription rights or similar event affecting any of your **investments**.

CREST – an electronic system for the transfer and registration of shares traded on the London Stock Exchange and other **Markets**.

Deal – the purchase of or sale of or subscription for **investments** by you. We also use the word trade.

Dealing period – the period during which a **deal** can take place on the **Market** on which we carry out that **deal**. For the London Stock Exchange, the **dealing period** is 8.00 am to 4.30 pm Monday to Friday excluding English public holidays, but this may change from time to time.

Debit card – a card through which money can be deducted from a **nominated bank account** and which is acceptable to us.

FSA – the Financial Services Authority, an independent organisation that authorises and regulates us, whose address is 25 The North Colonnade, Canary Wharf, London E14 5HS.

Income – money from dividends or interest, including interest on cash balances we hold.

Investment Plan – an **Investment Plan** Account established under these terms and conditions.

Investments – details of which **investments** we can buy, subscribe for or hold for you within either the **ISA** and/or **Investment Plan** are set out in the **Key Features Document**.

ISA – an Individual Savings Account established under the **ISA Regulations**.

ISA Regulations – the Individual Savings Account Regulations 1998, as amended or replaced.

Key Features Document – the latest published **NCIM ISA and Investment Plan Key Features Document** which together with these conditions forms the terms upon which we offer our service.

Lloyds Banking Group – the corporate group of which we are a member.

Markets - this includes both regulated **markets**, such as the London Stock Exchange plc (LSE), multilateral trading facilities (MTF), which bring together buyers and sellers of securities and investments (including Retail Service Providers and Market Makers) and investment firms who **deal** outside regulated **markets** or MTFs.

New City Investment Managers Limited (or NCIM) – the investment manager of the investment trusts available within the **New City Investment Managers Investment Plan and ISA**. **NCIM's** registered address is: 5th Floor, 33 Chester Street, London, SW1X 7HY

NCIM Investment Plan and ISA – the services that we provide in accordance with these conditions, as described in condition 3.

Nominated bank account – the bank, building society or savings **account** that you have nominated and that we will electronically debit (using a direct debit instruction or a **debit card**) or credit (via BACS or **debit card**).

Nominee – HSDL Nominees Ltd or any other **nominee** company wholly owned by us, or any other **nominee** from time to time, where your **investments** will be registered.

Order Handling Policy (OHP) – The Order Handling Policy sets out the arrangements we have adopted to ensure that your orders achieve the best possible result.

Safe custody – the safeguarding and administration of **investments**.

Settlement – this happens when the seller delivers **investments** to the buyer and the buyer delivers the purchase consideration to the seller in the **market** (for example, through a settlement system such as **CREST**). The **settlement** date is the date on which the buyer and seller agree that this must happen.

Tax year – this runs from 6th April of one year to 5th April of the next.

Website – www.halifax.co.uk/online, or any other Internet address which we may notify to you.

Working day – any day other than a Saturday, Sunday or English public holiday.

2 How do these terms and conditions operate?

These conditions and the latest published **NCIM Key Features Document** explain the relationship between you and us. The conditions are split into sections to make them easier to read and they apply to you regardless of which service you have chosen. *There are also supplementary conditions for ISAs. These should be read in conjunction with the rest of the conditions.*

You should read these conditions and the **Key Features Document, Order Handling Policy** and our summary **Conflicts of Interest Policy** (which, taken together form the full terms and conditions of our service) carefully to understand how they work. They also set out your and our rights and duties. If you want a copy of the latest published **Key Features Document** or need to contact us for any other reason, please e-mail or telephone us. By accepting these terms and conditions you acknowledge the creation of a contractual relationship which has legal consequences.

Who is the Plan Manager of the NCIM ISA?

- 2.1 Halifax Share Dealing Limited, the plan manager of the **NCIM ISA**. We are approved as an **ISA** manager by HM Revenue and Customs. We are authorised and regulated by the **FSA**. We will manage the **NCIM ISA** in line with these conditions and the **ISA Regulations**.

Who is the administrator of the Investment Plan?

- 2.2 Halifax Share Dealing Limited is the administrator of the **NCIM Investment Plan**.

3 Opening an account

What accounts are provided and how do they work?

- 3.1 You can use the **NCIM Investment Plan** and/or **ISA** to buy, sell or subscribe for certain types of **investments** and it consists of two products:
- the **NCIM Investment Plan** (a dealing, **nominee** and **safe custody account**);
 - the **NCIM ISA** (a 'stocks and shares' Individual Savings Account);
- and any other service which we may offer from time to time as part of the **NCIM Investment Plan and ISA**
- 3.2 Each of these products can hold both **investments** and/or cash and where relevant we will maintain separate records of these for you.
- Your **investments** will be pooled with those of other clients and held electronically in our **nominee**. Our **nominee** has legal title to the **investments** and you retain the beneficial entitlement at all times. We maintain a separate client bank account for our products with an **approved bank** that contains the money we hold that belongs to our clients. In respect of the holding of both cash and **investments**, our arrangements fully comply with the requirements of the **FSA** and HM Revenue and Customs rules and regulations.
- 3.3 We cannot give you any investment, taxation or other advice in connection with your **account**. If you need advice, you should consult an appropriate professional financial adviser.
- 3.4 When you apply to become a client, we will allocate to you a personal reference number (PRN) and give your **account** an Account Code. We will not accept any instructions or subscriptions from you unless you satisfy our security verification procedures. We will also send you details of these procedures. When we accept you as a client we will send you a welcome letter.

Who can open an account?

- 3.5 To open any **account** you must be 18 years of age or over, be resident in the UK, Jersey, Guernsey or the Isle of Man, or if not resident is performing duties as a crown employees serving overseas and paid out of the public revenue of the United Kingdom (typically a serving member of the armed forces, or a diplomat) or is married to, or in a civil partnership with, such a person. You must inform us if you cease to be resident in the UK, Jersey, Guernsey or the Isle of Man. For an **ISA** you must be resident and ordinarily resident in the UK, not including the Isle of Man or Channel Islands. We reserve the right not to accept an application for an **Investment Plan** from a non-UK resident.
- 3.6 We will not knowingly accept instructions from a corporate body or investment club, except to the extent that is necessary to enable you to close or transfer your **account**.

What needs to be provided when opening an account?

- 3.7 To activate your **Investment Plan** a minimum initial subscription of £1,000 or a regular monthly payment amount of £100 is required. To activate your **ISA** you may subscribe, subject to **ISA** subscription limits, either a lump sum or by regular monthly payments. Subscriptions will be debited from your **nominated bank account**, unless you are transferring an investment to us from another Plan Manager or Broker, after we've received your signed Application or Transfer Form and your account has been activated by us. If you do not fund your **account** with either cash or stock within six months of registering we may close your **account**.
- 3.8 You must provide details of a **nominated bank account** in your name or which you hold jointly with someone else that we will electronically credit (send money to you) or electronically debit (take money due to us from you) in line with these terms and conditions. You are responsible for making sure that any payments that you make will not affect any benefits available under your **nominated bank account**. If the **nominated bank account** is a joint account, you must make sure that you have the permission of the other account holders before you nominate that account. All payments to or from your **nominated bank account** will be in pounds sterling. You must make sure your **nominated bank account** continues to be able to make and receive payments. If it is not, you must provide details of a replacement **nominated bank account**. If you have more than one **account** with us, we will use the same **nominated bank account** for each.
- 3.9 Prior to accepting you as a client we may require you to complete certain documents and provide evidence of your identity in line with the law to prevent money laundering. If you do not provide the appropriate documents or we are not satisfied with them, we may:
- delay accepting your application for an **account**;
 - refuse to accept your application for an **account**;
 - refuse to accept cash or stock;
 - refuse to buy, sell or subscribe for **investments**;
 - refuse to make payments to you from your **account**; or
 - close your **account**.
- As a result, the price at which we then **deal** for you could be higher or lower than the price at the time we receive your application or instructions.

What are the risks?

- 3.10 Buying investments can involve risk. The value of your investments and the income from them can go down as well as up. You may not get back the full amount you have invested.
- 3.11 Conditions 3.7 and 12.1 explain when your **NCIM ISA** and/or **Investment Plan** will start.
- 3.12 There are no cancellation rights provided for either your **NCIM ISA** and/or **Investment Plan**. You may only withdraw in full if you close your account. Your shares will be sold at the prevailing **market** price and the net proceeds, less dealing charges, returned to you. You may not get back the full amount invested.

4 Funding your account

How do I fund an account?

- 4.1 The proceeds from the sale of **investments** will be paid into your **account** (unless you have given us a "Sell to Withdraw" instruction – see condition 6.8) as will any **income** arising from your **investments**.
- 4.2. You can fund your **account** in a number of ways:
- by **debit card** – provided that we receive an 'authorisation' from your card provider, we will deem this to be cleared funds immediately;
 - by direct debit – we will initiate the request as soon as we have received it and it will normally take 6 **working days** from receipt before cleared funds are available for investment;
 - as a result of the proceeds of the sale of **investments** where **settlement** has occurred or where **settlement** is due on or before the **settlement** date for the **investment** you wish to make.
 - by cheque.
 - by building society cheque indicating it has been drawn on your account and stamped and signed on behalf of the building society.
- The maximum **ISA** investment is £7200.00 in any one **tax year**. There is no maximum investment for **Investment Plans**. Conditions 6.10 – 6.12 set out what will happen if there are insufficient funds to meet the full costs of a purchase or subscription.

5 Dealing

How can deals be placed and what sort of investments can be bought?

- 5.1 As specified in the **Key Features Document**, unless we agree otherwise, we will accept dealing instructions and provide **nominee** and **safe custody** facilities for the types of **investments** you can trade. We will accept telephone and written instructions by post to buy, sell and subscribe for **investments** as specified in the **Key Features Document**. If your written instruction to **deal** is inadequate, it will be returned to you without any transaction taking place. Stamp duty will be payable at a rate of 0.5% of the amount of each purchase. Any **investments** that you buy will be held in your **account**.

When can deals be placed and how will instructions be carried out?

- 5.2 You can instruct us on your behalf to buy, sell or subscribe for **investments** during our **dealing period**. You must tell us the exact name, number or value of **investments** you want us to buy, sell or subscribe for.
- 5.3 When you ask us to **trade investments** we will carry out the trade in the currency of the **Market** on which we **trade**. Where necessary and in order to effect **settlement** with you in accordance with clause 6.1, this currency will be converted to pounds sterling based on the exchange rate from time to time determined by us at the time of execution. Such rates will reflect the prevailing currency **market** at the time of conversion. We will give you an indicative exchange rate at the time of dealing although you should be aware that the actual exchange rate applied to your trade may change from the indicative rate provided.
- 5.4 If we accept instructions inside the **dealing period**, they will be carried out as soon as reasonably practicable. If we accept them outside the **dealing period**, we will carry them out as soon as reasonably practicable after the start of the next **dealing period**.
- In practice, all purchases are normally made on the next business day following receipt of an instruction. Sale instructions given by telephone inside the **dealing period** are normally executed at the time of instruction, while sale instructions received in writing are normally executed on the next business day after receipt.
- 5.5 We will carry out your instructions in accordance with our Order Handling Policy (**OHP**) and Conflicts of Interest Policy (**COIP**). Where there is a conflict between our **OHP** and **COIP** and these terms and conditions, the latter will take precedence.
- 5.6 We may buy, sell or subscribe for **investments** for you and other clients as part of the same **deal**. When we do this, we must reasonably believe that the aggregation of orders is unlikely to work to your disadvantage. However, it could result in a slightly less favourable price than if we had bought or sold your **investments** separately.
- 5.7 We will carry out each instruction to **deal** in more than one type of investment or each instruction to **deal** at different times in the same type of investment as separate instructions.
- 5.8 When you instruct us to buy, sell or subscribe for **investments**, you cannot change your mind afterwards. (When you are applying for a new **account**, you do have the right to cancel your application – see condition 3.12). Your instructions will not bind us until we have accepted them. We will confirm that your order has been accepted by giving you an order or bargain reference. See also condition 11.10.
- 5.9 On occasions the demand for the service and **market** conditions may fluctuate. Consequently once we have accepted your instructions to buy, sell or subscribe for **investments** we cannot accept any responsibility for any actual or potential financial loss or expense you incur if for any reason (other than our negligence) there is a delay or change in **market** conditions before execution of your order is complete.
- 5.10 When we have accepted your instructions to buy, sell or subscribe for **investments** we may, at our discretion, contact you to confirm your instructions. We will do this if we reasonably believe that it is in your interest to do so. We will not be liable to you if we do not contact you.

Are there any times when deals can't be placed?

- 5.11 We may refuse to sell **investments** that you have purchased or subscribed for through us until we have received cleared funds for that purchase or subscription. If we do accept instructions to sell **investments** that you have purchased or subscribed for through us before we receive cleared funds for that purchase or subscription, we may delay the transfer of the proceeds of sale from those **investments** into your **nominated bank account** or **ISA** or **Investment Plan** (as appropriate) until we have received cleared funds for your purchase or subscription.
- 5.12 We may refuse to accept any instructions. In particular, we may ask you for proof that you have the right to **deal** in **investments** for which you have given us instructions. We may not **deal** for you until you have provided us with proof that is satisfactory to us. In particular, we may not accept your instructions unless:
- a) we have verified any changes to your personal information;
 - b) we have received any documents (correctly filled in) we may have asked for;
 - c) we have all the documents (including any share certificates) and information we need to carry out your instructions (this includes any evidence we need to confirm a change to your name or address);
 - d) where **investments** are held in certificated form and registered in joint names, those instructions are confirmed in writing by all the joint holders; and
 - e) where **investments** are held in the name of another person and you wish to give us instructions to sell those **investments**, we have received satisfactory proof of your authority to **deal** for that other person.

Who has authority to deal?

- 5.13 We will accept instructions to buy, sell or subscribe for **investments** for you:
- a) from you, where you warrant that you have the right to **trade** and that no other person has any rights or interests in those **investments** that prevent you from trading them in line with these conditions. Any instructions that we accept in good faith will form a legally binding contract between you and us. In particular, you authorise us as your agent for the express purposes of following your instructions in line with these conditions;

- b) from a person who has a legal right to give us instructions (for example, your trustee if you are made bankrupt or your personal representative);
- c) from a person that you have authorised in writing to give us instructions (for example, someone who has a Power of Attorney for you) as long as we have accepted your written authority to do so; or
- d) from all account holders who are named on your **account**.

Can share certificates be sold?

- 5.14 We will accept telephone or written instructions to sell share certificates you already own. You should be in possession of the share certificates and they should be in your name before you call us to **trade**. By giving us instructions to sell shares represented by certificates you warrant that you are the owner of those shares and that they accurately reflect your holding on the appropriate share register. Charges for certificated sales are different from charges for sales of shares within your **account**. Details of these charges are available on request. When you have traded we will send you a **CREST** Transfer Form which you should sign and return with your share certificate (unless they are already in our possession). Any relevant documents and information must have been received by us from you or the Registrar of the relevant company at least 3 **working days** before the **settlement** date stated on the **contract note** and be acceptable to us. If we do not receive any such documents in time, it may mean you receive payment after the **settlement** date shown on your **contract note**.
- 5.15 If at any time we reasonably believe that the necessary documents or information will not be provided, and if such documents or information have not been provided by the date stated on the **contract note** and notified to you at the time of the **deal**:
- a) we may treat any outstanding transaction as having been cancelled and terminated;
 - b) we may buy **investments** to replace those you failed to provide, allowing us to settle the **deal**;
 - c) we may require you to reimburse us for the cost of buying the **investments** and pay a charge to cover our extra administration costs and any buy-in or enforcement fee for late delivery of **investments** levied in connection with **CREST** or by a **Market**;
 - d) we may claim from you the total amount that you owe us together with interest on that amount at a rate of 2% per annum above the Halifax variable mortgage base rate from time to time in force (calculated on a daily basis) from the date due until payment in full has been made;
 - e) you authorise us to realise any of your assets that we hold, or instruct our **nominee** to sell any of your **investments** or connected rights that it holds for you, and apply the proceeds towards settling the total amount owed by you. Any shortfall will still be due from you; and
 - f) you authorise us to apply any cleared funds that we hold for you towards settling the total amount owed by you on your **account**. Any shortfall will still be due from you.

What other conditions relate to dealing?

- 5.16 If we negligently fail to carry out your instructions that we have accepted we will try to return you to your original position or the equivalent.
- 5.17 If **settlement** is due to take place more than 3 **working days** after the **deal**, we may require you to pay an additional charge. Details of this charge are available on request.
- 5.18 If you have an **Investment Plan**, when you buy or subscribe for **investments** we will debit your **ISA** or **Investment Plan** on the **trade** date.

6 Settlement

How will money settle?

- 6.1 **Your account** will be denominated in pounds sterling (or in euros if the euro has been adopted as the UK's currency). We will carry out **deals** and settle them with you in pounds sterling (or in euros as appropriate). Where we are required to settle any transaction with a **Market** in a currency other than pounds sterling, we shall convert into or out of the relevant currency, in accordance with clause 5.3, the amount of funds necessary for **settlement**.
- 6.2 If as a result of **deals** or otherwise we have to apply more than one payment to or from your **nominated bank account**, where we can, we may combine them into a single net payment. Also, if at any time we owe you more money than you owe us, we may pay you the difference to settle the amounts that we owe each other. Conversely, if at any time you owe us more money than we owe you, we may require you to pay the difference to us. If such a payment is due to us and you have authorised us to deduct payments through your direct debit instruction, we will inform you at least 1 **working day** before we initiate payment.
- 6.3 We may decide to make payments by cheque. If we make a payment by cheque because we have not been able to complete the transfer of funds into your **nominated bank account**, we reserve the right not to pay you any interest on the funds transferred to you in these circumstances.
- 6.4 If you are going to make a payment by **debit card** and your bank imposes a floor limit on your **debit card**, it is your responsibility to notify them of the payment that we will request so that we can collect it.
- 6.5 We will not be liable for any loss arising directly or indirectly from the late collection of a direct debit payment that is not due to our fault, including any loss of investment opportunity or loss of tax relief.

- 6.6 We accept no responsibility for default or other failure to perform by a third party settlement agent, depository, clearing or settlement agent or system or any participant in one of them except where such default or failure is directly caused by our willful default or negligence in connection with the performance of services under these terms.

When will money be received when shares are sold?

- 6.7 If you make a sale within your **ISA**, subject to conditions 5.12 and 6.2 we will transfer the net sale proceeds into your **ISA** on the **settlement** date stated on the **contract note**, unless you ask us to transfer them into your **nominated bank account**. We will start this process once we have received **settlement** funds from the **market**.
- 6.8 If you make a sale and you have an **Investment Plan** we will credit your **Investment Plan** on the **settlement** date shown on your **contract note**. For your convenience sales proceeds from sales other than share certificate sales can be reinvested straight away.
- 6.9 If you have an **Investment Plan** and make a "Sell to Withdraw" instruction we will begin the automatic credit of your **nominated bank account** once we have received **settlement** funds from the **market**.

What happens if funds aren't supplied for a deal?

- 6.10 If you fail to make payment by the **settlement** date stated on the **contract note** and notified to you at the time of the **deal**, we may:
- treat any outstanding transaction as having been cancelled and terminated;
 - apply a charge to cover our extra administration costs;
 - claim from you the total amount that you owe us together with interest on that amount at a rate of 2% per annum above the Halifax variable mortgage base rate from time to time in force (calculated on a daily basis) from that date until payment in full has been received;
 - realise any of your assets that we hold, or instruct our **nominee** to sell any of your **investments** or connected rights that it holds for you, and apply the proceeds towards settling the total amount owed by you. Any shortfall will still be due from you; and
 - you authorise us to apply any cleared funds that we hold for you towards settling the total amount owed by you on your **account**. Any shortfall will still be due from you.
- 6.11 Until we receive in cleared funds any outstanding amounts that you owe us, you authorise our **nominee** to keep your holding, share certificate(s) and/or connected rights and we may also refuse to carry out any instructions relating to your holding, share certificate(s) and/or connected rights.
- 6.12 Title to any **investments** shall not pass to you until you have paid for them and our related charges in full.

7 Looking after investments and cash held pending investment

How will shares and other investments be looked after?

- 7.1 **Investments** that you buy or subscribe for or transfer into your **account** will be held in **safe custody** in your **account**. There are charges for some services (see the **Key Features Document**). If you ask us to, we will accept a transfer of **CREST** eligible **investments** direct from another **nominee**. If you hold **investments** in the form of a certificate, you can apply for them to be transferred into your **account**, although this does not apply to an **ISA**.
- 7.2 We will not lend or deposit by way of collateral any **investments** in your **account** to a third party without your express permission.
- 7.3 You must not use the **investments** and cash in your **account** as security for a loan. Money may not be borrowed on the security of **investments** in your **account**.
- 7.4 Some companies offer special benefits to their shareholders (that is, "shareholder perks"). As your **investments** will be pooled with those of other clients and will be registered in the name of our **nominee**, we may not be able to claim shareholder perks for you. However, if we can claim shareholder perks for you and you ask us to do so, we will do this and pass them on to you.
- 7.5 If you ask, we will arrange for you to:
- receive a copy of the annual report and **accounts** for every company or other concern in which you invest through your **account**;
 - receive any other information issued to holders of the **investments**;
 - attend shareholders' meetings, subject to any restrictions on attendance imposed by the company; and
 - vote by proxy (by telling us how you want the votes to be exercised by the **nominee**). We will only use any rights we have to vote for you when you tell us to do so.

How will cash held pending investment be looked after?

- 7.6
- Any cash waiting to be invested will be held on your behalf in a non-interest bearing account.
 - Funds can only be held pending **investment**. If you do not use the cash to **deal** within a period of 12 months, we may return it to you.

- 7.7 We will hold your funds so that we comply with the **FSA** Rules.
- 7.8 Any cash that you are entitled to receive in connection with your **account** will be rounded down to the nearest penny.
- 7.9 a) if you have an **Investment Plan** or **ISA** all income and cash entitlements will be paid promptly into your **account** pending investment unless you ask us to pay **income** to your **nominated bank account** or elect to have dividends reinvested. Where required, you authorise us to deduct income tax at the appropriate rate from any dividends, and cash entitlements which are paid gross before paying the net amount to you. You authorise us to account for any tax deducted to the relevant authorities.
- We will only accept dividends in cash unless we agree otherwise.

What should I do if I want to elect for Dividend Reinvestment?

- 7.9 b) you can elect to have dividends from **investments** in your **account** reinvested into the source stock by phone or in writing. Once you have elected for dividend reinvestment all future dividends on all your **investments** will be reinvested until you give us an instruction to stop dividend reinvestment.
- If you have more than one **account**, you will need to give us separate instructions for each **account**.
- If your **account** has been restricted by us for any reason your dividend re-investment instruction will not be actioned and any related money will be placed in your **Investment Plan** or **ISA**.

How many shares will I receive?

- 7.9 c) the number of shares you will receive for each dividend will depend on:
- i) the amount of your cash dividend, which is based on the number of shares you hold at the relevant dividend record date multiplied by the dividend payment amount;
 - ii) the price at which the shares are bought; and
 - iii) any stamp duty reserve tax payable on the purchase of the shares.
- You will receive the maximum whole number of shares which can be bought on your behalf.
- Any cash left over will be paid back into your **Investment Plan**, or **ISA**.

What happens if my dividend is not enough to buy a share?

- 7.9 d) If your dividend and any cash balance brought forward, after taking into account costs, is not enough to buy at least one share, the whole of your dividend will be paid in cash to your **Investment Plan** or **ISA**.

Can I select dividend reinvestment for just some of my shares?

- 7.9 e) No, dividends will be reinvested on all of your **CREST** eligible shares.

What if I sell my shares?

- 7.9 f) If your whole holding is sold before the dividend payment date no reinvestment will take place and the whole of your dividend will be paid in cash to your **Investment Plan** or **ISA**.

How can I stop dividend reinvestment?

- 7.9 g) you can elect to stop dividend reinvestment by giving us an instruction by phone or in writing.
- 7.10 We may offer you the option of using **income** to automatically buy more of one type of **investment** held in your **Investment Plan** or **ISA**.

How are corporate actions dealt with?

- 7.11 If you are entitled to extra **investments** (for example, through a bonus or other capitalisation issue), we will automatically arrange to hold your new **investments** in your **account**.
- 7.12 If a **corporate action** happens in relation to your **investments** held in your **account** we will communicate with you outlining the terms and conditions (where applicable) of the offer, requesting your instructions by a given date. You must give us your instructions, by a method that we request, by the end of that given date. If we become aware of a **corporate action** at short notice, and do not have time to obtain your instructions, we will select the default option that is specified by the company in question or its registrar.
- 7.13 We may delay writing to you until the **corporate action** has been declared ex-entitlement or, in the case of a mandatory **corporate action**, until the **corporate action** has become effective and we have received the benefits to which you are entitled. With the exception of a compulsory acquisition, where we do not receive any instructions from you by a given date, we will not accept any such offer on your behalf without your specific instructions and will not accept instructions to accept only part of such an offer.
- This could mean any benefits that you were entitled to could lapse.
- 7.14 If we do not receive any instructions from you by a given date in respect of a compulsory acquisition, we will accept the basic terms of the acquisition on your behalf. We will write to you when this has occurred.
- 7.15 We must receive cleared funds from you by the given date that we notify to you before we can carry out an instruction to make a payment in respect of a **corporate action**. If you have an **Investment Plan** or **ISA** these funds will need to be available in the **Investment Plan** or **ISA** on the given date. If cleared funds are not available no action will be taken, subject to condition 7.12. If there are insufficient funds in your **ISA**, you can obtain cleared funds by selling **investments** held in your **ISA** and use these funds to meet the cash that is due. You can also generate a subscription to meet the amount due, subject to the annual subscription limit for your **ISA**.

- 7.16 The terms of a **corporate action** may require us to make an election on behalf of our **nominee** holding in a company. If it does, we may not be able to get instructions from all of our clients who hold shares in that company. We reserve the right not to offer the option to you. We will use reasonable efforts to give you an alternative option but we cannot guarantee that this will match the option given by the company.
- 7.17 If, as a result of a **corporate action**, we receive **investments** which are not “qualifying investments” for a stocks and shares component of an **ISA** under the **ISA Regulations**, we will transfer the **investments** directly to an **Investment Plan**, if you have one. Alternatively we can arrange for you to be sent a certificate or transfer the **investments** to another **nominee**. In certain circumstances we may offer you the option of selling the investment and retaining the sale proceeds in your **ISA**. We will notify you if this option is available to you. We may charge for these services and the latest charges are listed in the **Key Features Document**.
- 7.18 Where our **nominee** receives a distribution of entitlement to shares and any other benefits due to you arising from a **corporate action**, we will allocate the entitlement to your **account** promptly but at the latest in accordance with the FSA's guidelines. Any entitlements will be rounded down to the nearest whole share.
- 7.19 Under the rules of any **Market**, if you are selling shares through us and you receive a related benefit to which you are not entitled, you must give up this benefit to us and we will collect it and pass it on to the person entitled to it. Equally, if you are buying shares and you do not receive a related benefit to which you are entitled we will claim that benefit for you. Entitlement is established by reference to the **Market's** “ex-date” (that is, the date on which an investment is traded without that entitlement) and not the “record date” (that is, the date on which it is determined all holders shown on the register will receive a benefit). If you make a **corporate action** election and subsequently sell your shares, you will be liable for any costs associated with us having to buy back those shares to honour your election. You will also be liable to pay for any loss arising from adverse movements in the share price.
- 7.20 Where we are required to make a **corporate action** call payment on your behalf, or we need to pay you a dividend, interest or a cash entitlement in a currency other than pounds sterling, we will make the appropriate currency conversion in accordance with clause 5.3 and will inform you of the pounds sterling equivalent and when we are to debit this from your **nominated bank account, ISA or Investment Plan**.

How can investments/cash be transferred out of an account?

- 7.21 You cannot transfer **investments** out of our **nominee** until you have paid for them and they are held in your **account**.
- 7.22 You may ask to withdraw your **investments** and or cash held in any **account** we hold for you, at any time. We will transfer **investments** direct to another **nominee**, or, at your request, we will arrange for you to be sent a certificate in your name for those **investments**. We will charge you for these services. For cash, we may credit your **nominated bank account**. The latest charges are listed in the **Key Features Document**.

Can an account be suspended?

- 7.23 If we reasonably believe that you are using the **NCIM Investment Plan or ISA** for illegal purposes, or if we find out that there is a disagreement about who owns or has authority to **deal** in the **investments** held for you under the **NCIM Investment Plan or ISA** (including a disagreement between joint holders), we may freeze all or some of the **investments** held for you. This means that we will not allow anyone to **deal** with those **investments** or carry out any transactions until we are satisfied that you are not using your **account** for illegal purposes or that the disagreement is settled.

What happens on death?

- 7.24 If we receive proof of the death of an account holder that is satisfactory to us, our **nominee** will continue to hold your **investments** and any cash held in your **Investment Plan** and/or **ISA**. If our **nominee** was holding those **investments** and, if applicable, cash only for you, our **nominee** will follow the instructions of the account holder's personal representatives. If our **nominee** was holding those **investments** and, if applicable, cash for other joint holders, our **nominee** will follow the instructions of the other joint holders.
- 7.25 If we receive proof of the death of an account holder that is satisfactory to us, and we are asked by the account holder's personal representatives or any other person entitled to the **investments** in the **account** we will sell those **investments** and pay the proceeds and any other cash in your **account** (less any money owed to us or the HM Revenue and Customs) to them once we have verified their identity. Alternatively, if the account holder's personal representatives or any other person entitled to the **investments** in the **account** ask us to register them in the name of another person or people; we will do this once we have been able to verify their identity (less any money owed to us or the HM Revenue and Customs). The **account** will then be closed.
- 7.26 Until we sell the **investments**, they will be subject to daily price movements as normal. When we know who the account holder's personal representatives are, we will tell them the value of the **investments** and cash in your **account** on the date of your death.
- 7.27 For an **ISA** any tax exempt status will end on your date of death and we will stop collecting any monthly subscriptions.

8 Charges

What charges apply and how will they be levied?

- 8.1 The **NCIM Investment Plan** and **ISA** are free from dealing commission and administration charges. When shares are purchased directly in the **Market**, stamp duty at the applicable rate will be payable and will be added to the purchase cost. Details are listed in the **Key Features Document**. We may introduce charges. When you **deal** with us, our latest charges, if any, will apply. Because of this you should make sure that you have a copy of the latest **Key Features Document**.
- 8.2 We will collect dealing charges by adding them to the cost of buying investments, or by taking them from the sale proceeds. We may collect these charges and any other applicable charges from your **ISA** and/or **Investment Plan**, your **nominated bank account** or any other **account** you hold with us.
- 8.3 You will pay any Stamp Duty, Stamp Duty Reserve Tax, Value Added Tax or any other taxes or levies which apply when you buy or sell **investments** or incur charges. We will account to the appropriate authorities for all such taxes and levies. You will pay any other taxes for which you are liable in connection with a **deal**, for example Capital Gains Tax.

9 What information will be sent to me?

- 9.1 We make **market** information available to you as part of the services provided through our online service. This **market** analysis will not form a personal recommendation and any decision about your **investments** rests with you. The **market** information is for your own personal use. You must not pass the information on to anyone else or use it for any commercial or unlawful purpose.
If you think that someone has used **market** information without our permission, you must notify us straightaway. If we provide **market** information, we use sources we believe to be reliable. If we use an independent information provider to provide **market** information, we will use all reasonable care and skill to choose that provider. But, because we and any provider have no control over the information sources, we cannot promise that the **market** information is accurate, complete, timely or in the right order.
You must satisfy yourself that **market** information is reliable before you make any decisions or take any actions based on it. We are not responsible for any decision or action you take or any loss you or anybody else may suffer as a result of such a decision or action. We cannot promise that the **market** information will always be available to you.

What information is sent about a deal?

- 9.2 Unless condition 9.3 applies, by close of business on the **working day** following your **deal**, we will send you a paper **contract note**. If you do not receive a **contract note** within the period notified to you at the time of the **deal**, you should not repeat your instruction. Instead, you should contact us for more information.
- 9.3 If you have registered for our online service and have asked us not to send you a paper **contract note** for your **deal(s)** the words "**online contract note**" shall be substituted for "**contract note**" throughout these conditions, except in 9.2 and 9.4. As soon as is reasonably practicable following your **deal**, we will send you an e-mail stating that an **online contract note** is available on the secure area of our **website**. If you do not receive an e-mail from us, you should not repeat your instruction; instead you should check the details of your **deal** through our secure **website**; clicking on the **deal** reference number will display the **contract note** details. You can also contact us for further information. You will not receive any confirmations or other information relating to your **deal(s)** in hard copy or by e-mail, except your statement and valuation, see 9.6 below, which will be sent by post. All information relating to your **deal(s)** and investments will be available for viewing on the Dealing History page of the secure area of our **website**. If you wish to receive paper **contract notes** after you have requested not to receive them you will need to contact us. If, at any point, the flow of information between us is interrupted (for example, your computer crashes or you can no longer access our **website**), and you are not certain whether a **deal** has been accepted or not, do not try to enter the **deal** again. Instead, please try to log onto our online service again and check your **account** details. If you cannot log on, or you are still uncertain about the **deal**, please telephone us and we will confirm the position. Our records are conclusive (except for any errors and omissions). For a **deal**, this means that the information held on our computer systems, and the **contract note** or online confirmation for that **deal**, are the only valid evidence of the **deal**. In particular, the screen message may not be used as evidence of that **deal**.
- 9.4 If we are unable to provide you with an **online contract note** we will send a paper **contract note**.
- 9.5 If we make a mistake when we carry out your instructions to make a **deal** we may provide you with or send you a **contract note** that shows our mistake. When we have corrected our mistake, we will provide you with or send you a **contract note** that will show the steps we have taken to correct the mistake.
Our records are conclusive (except for any errors and omissions). For a **deal**, this means that the information held on our computer systems and the **contract note** are the only valid evidence of the **deal**.

How often are statements and valuations sent?

- 9.6 We will send you a statement and valuation of your **investments** held in your **account** at least annually. This will show the value of your **investments** and the basis on which that value has been calculated.
If you have registered to use our online service, you will be able to view on the **website** a valuation of your portfolio and a statement showing up to date details of any cash and stock movements on your **account**. The valuation of your portfolio during the **dealing period** will be the current **market** price, delayed by 15 minutes.

If you are viewing your valuation after the **dealing period** has ended on a **working day**, it will be based on the close of business prices for that day. If you are viewing it on a day that is not a **working day**, it will be based on the close of business prices for the previous **working day**.

- 9.7 With the exception of the **NCIM ISA** we will send you a consolidated tax certificate (CTC) every year detailing the amount of any **income** received in the preceding **tax year** and any associated tax credit. **It is your responsibility to keep a copy of your CTC.** Requests for a duplicate CTC may incur a charge and may not be available if the original CTC is more than 6 tax years old.

What other conditions apply to communications between us?

- 9.8 We do not accept any responsibility for documents before we receive them or after they have been sent to you. You are responsible for any charges relating to the recovery or replacement of lost documents. You should keep a note of the date on which you post documents to us and of any cheque or certificate numbers to help with any enquiries that may arise. We do not accept responsibility for postal delays.
- 9.9 We will send all written notices and other communications to the address that you gave us when you applied for your **account** or the latest address that you have given us. They will be treated as arriving 48 hours after posting (if sent to an address in the UK) or 10 days after posting (if sent abroad). Alternatively, we may contact you by e-mail where you have registered an e-mail address with us. E-mails will be treated as arriving immediately upon sending by us.
- 9.10 If more than one person is registered as the holder of **investments** in an **account**, we will send all written notices and other communications to the person first named and those notices and communications will be treated as given to all holders.
- 9.1 If you change your name or address, you must contact our Customer Support Team by telephone or write to us straight away. If you have not told us about a change of address and we send a notice to the latest address that you have given us, it will be effective. You should make sure that the arrangements for receiving mail at your address are safe. We may also accept changes that you inform us about through our online service.
- 9.12 When we receive returned mail or e-mails, we will make reasonable endeavours to contact you to get your new details. We reserve the right not send further communications to the old address or old e-mail address.

10 How are complaints dealt with?

- 10.1 If you believe that we have failed to carry out your instructions correctly, you must report this to us immediately. We will investigate your complaint in accordance with the **FSA** Rules.
- 10.2 If you have a complaint about your **account** or would like details of our complaints procedures, please call us on 0845 850 0181 or write to the Customer Services Manager, Halifax Share Dealing Limited, Lovell Park Road, Leeds, LS1 1NS or e-mail us at customer-care.hsdl@halifax.co.uk If we cannot resolve your complaint to your satisfaction, you also have a right to complain directly to the Financial Ombudsman Service whose address is South Quay Plaza, 183 Marsh Wall, London E14 9SR.

11 Regulatory matters and disclosures

- 11.1 We will treat you as a retail client for the purposes of our relationship. We will act for you on an execution only basis which means we cannot give you **investment** or taxation advice.
- 11.2 We will carry out each **deal** under the Rules of the **FSA** and any **Market** on which we carry out that **deal**.
- 11.3 If we cannot perform any of our services under these conditions due to circumstances beyond our reasonable control, then we will take all reasonable steps to bring those circumstances to an end, but we will not be liable for our non-performance except to the extent required by the **FSA** Rules, the Financial Services and Markets Act 2000 or any regulations issued under that Act.
- 11.4 We can employ agents on such terms as we think fit and we can delegate any of our functions under these conditions. We will satisfy ourselves that any person to whom we delegate any functions under these conditions is competent to carry out those functions.
- 11.5 No notice of any trust, express, implied or constructive will be binding on us, or our **nominee**.
- 11.6 Your attention is drawn to the fact that there may be limited circumstances in which a conflict exists between your and our interests. To mitigate and control these conflicts we have drawn up a **COIP**. A summary of this document is provided separately, although you may request a copy of the full policy at any time by contacting us.
- 11.7 Provided that we have complied with the Rules of the **FSA**, you agree that we can cease to treat as client money any unclaimed cash balance that we hold for you where there has been no movement in the balance for a period of at least 6 years and we can demonstrate that we have taken reasonable steps to trace you and to return the balance.
- 11.8 We may **deal** for you in **investments** that may have been the subject of "Stabilisation".

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

- a) newly issued **investments** are introduced to the **market** in an orderly fashion; and
- b) the issue price and/or price of associated **investments** is not artificially depressed because of the increase in supply caused by the new issue.

It may only take place for a limited period.

There are limits on the price at which **investments** may be stabilised.

- 11.9 Neither we nor any member of the **Lloyds Banking Group** accept any liability either for any consequential loss arising from error or omission, or in the event that the details of your **nominated bank account** that we hold are incorrect, but this will not exclude or restrict any obligation owed to you under the **FSA** Rules, the Financial Services and Markets Act 2000 or any regulations issued under that Act.
- 11.10 If we give you at least 10 **working days**' notice either by writing to you or by publishing the change in at least two national newspapers, we may change these conditions for any valid reason and if it is reasonable to make the change. If we have accepted your instructions to carry out a **deal** before we give this notice, we will carry out and settle that **deal** in line with the conditions before the change is made. See also condition 5.7.
- 11.11 We have accepted responsibility under the **FSA** Rules for any custodian function carried out by our **nominee** in its capacity as an eligible **nominee**.
- 11.12 We are a participant in the Financial Services Compensation Scheme. As you have been categorized as a retail client, you may be able to make a claim on this Scheme if we default in our obligations to you. Compensation of up to 100% of the first £30,000 and 90% of the next £20,000, to a maximum of £48,000, is available to eligible claimants. If you ask, we will send you a summary of your rights under the Financial Services Compensation Scheme. Further information can also be obtained from the Financial Services Compensation Scheme.
- 11.13 Your **investments** will be pooled with **investments** held for other clients. This means that your **investments** will not be identified by separate certificates. Our **nominee** companies are owned by us. If our **nominee** defaults, we accept full responsibility for it. We will not disclaim losses arising directly from its fraud, wilful default or negligence. We are wholly owned by the **Lloyds Banking Group**.
- 11.14 a) We can suspend or withdraw all or part of the **NCIM Investment Plan and /or ISA** from you at any time on immediate oral or written notice. Even if we have already received your instructions to carry out a **deal**, we will not be obliged to carry out and settle that **deal** in line with the conditions.
If we suspend the **NCIM Investment Plan and /or ISA**, you can ask us to transfer any **investments** that we hold for you into your name and the names of any joint holders and we will do this without charge. If we withdraw the **NCIM Investment Plan and /or ISA** from you, we will transfer any **investments** that we hold for you into your name and the names of any joint holders without charge.
- b) You agree that if **NCIM** terminate our appointment as manager of the **NCIM ISA** and/or our appointment as administrator of the **NCIM Investment Plan**, we will transfer your **account** to the new manager and/or administrator appointed by **NCIM**.
- c) If any of the investment trusts available under the **NCIM Investment Plan and /or ISA** notifies us or **NCIM** that it no longer wishes to participate in the **NCIM Investment Plan and/or ISA**, or is the subject of a take over offer, **NCIM** may elect to suspend or withdraw all or part of the **NCIM Investment Plan and /or ISA** (so far as it relates to such Investment Trust) and the terms of paragraph 11.14a above will apply to any of your investments affected. You will not lose the tax-efficient wrapper status of your **ISA** investment if the **NCIM ISA** is suspended or withdrawn
- 11.15 If, after acting for you and our other clients for any transaction, we are left with fractions of **investments** or cash, we may add these together, sell them (in the case of **investments**) and keep the proceeds to set against our operating expenses.
- 11.16 We are not responsible for any loss incurred as a result of the actions or omissions of any third party.
- 11.17 In these conditions, any references to provisions, rules or other requirements of the Financial Services and Markets Act 2000, the **FSA** or any **Market** mean the requirements from time to time in force.
- 11.18 If we are required to give warranties before acting for you, we may require you to give us an indemnity before we act.
- 11.19 You may exercise your right to withdraw from the **NCIM Investment Plan and /or ISA** contract at any time. Any instruction to buy, sell or subscribe for **investments** entered into during the notice period is not subject to this right. Any charges or fees incurred by you during the notice period remain your responsibility. Please be advised you may not get back the full amount invested.
- 11.20 Where your **account** falls below the minimum investment limits, subject to 3.7, we reserve the right to close your **account**
- 11.21 We reserve the right to pass your details to a third party for debt collection purposes if we reasonably believe any amount owing to us by you will not be paid.

11.22 It is agreed that these conditions are governed by English law and that any dispute will be dealt with by the English courts. All communication, either oral or written will be in the English language.

How we use your Personal Data

11.23 Like other financial organisations, we are legally obliged to collect, verify and record information confirming client identity and to report details of suspicious transactions to the .Serious and Organised Crime Agency. For more details please contact us.

11.24 For details of the main credit reference agencies we use please contact us.

11.25 We may use credit scoring methods to assess your application and verify your identity. Members of our group and other companies may use credit searches and other information supplied to us and/or the credit reference agencies about you and someone linked financially with you, including previous and subsequent names, to make credit decisions about you or other members of your household. Any of this information may also be used for identification purposes, debt tracing, preventing money laundering and managing your **account**.

11.26 We may disclose any information you provide to us to a licensed credit reference agency that may retain a record of the search. We will use the results of the search to check your identity and to determine your creditworthiness, although we will not extend a line of credit to you.

11.27 We have systems that protect our clients and ourselves against fraud and other crime. Client information can be used to prevent crime and trace those responsible. We may check your details with fraud prevention agencies. If false or inaccurate information is provided and fraud is identified, details will be passed to fraud prevention agencies. Law enforcement agencies may access and use this information. We and other organisations may also access and use this information to prevent fraud and money laundering, for example, when:

- Checking details on applications for credit and credit related or other facilities;
- Managing credit and credit related accounts or facilities;
- Recovering debt;
- Checking details on proposals and claims for all types of insurance;
- Checking details of job applicants and employees.

Please telephone us on 0845 604 5494 if you want details of those credit reference agencies and fraud prevention agencies from whom we obtain and with whom we record information about you. We and other organisations may access and use from other countries the information recorded by fraud prevention agencies. You have a legal right to these details.

11.28 Occasionally we search credit reference and fraud prevention agency files as well as our own internal group records to manage your **account** and take decisions such as whether to offer or continue to offer our service. Lenders who may assess your ability to obtain credit may see these searches

11.29 'Associations' linking your financial records may be created on Credit Reference Agency records when you apply for **accounts** in joint names.

Your financial records, and those of anyone financially associated with you, may be considered in any future applications you make.

11.30 The Data Protection Act puts obligations on users of personal information and lays down principles for its use. One principle states that information has to be processed fairly and lawfully. This means that you are entitled to know how we intend to use any information you provide. You can then decide whether you want to give it to us. To provide outstanding client service we need accurate client information. You can help by informing us whenever your circumstances change.

Organisations must lodge a notification with the Information Commissioner describing the purposes for which they process personal information. The details are publicly available from the Commissioner's office at Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF. Tel 01625 545745. Fax 01625 524510. Alternatively, see the Commissioner's **website**: www.informationcommissioner.gov.uk

11.31 We may ask any other member of the **Lloyds Banking Group** to give us information about you which will help us to identify you. We and other members of the **Lloyds Banking Group** may exchange information about you for administrative purposes.

11.32 Our main use of your personal information is to look after your **account** or to provide the specific service you require. **NCIM** may use your details to inform you by letter, telephone, e-mail or otherwise about any special shareholder offers, products or services offered by **NCIM** and selected third parties, unless you ask them not to do so. Remember, however, that opting out could stop you hearing about special shareholder offers or products and services which may benefit you.

11.33 Where permitted by the **FSA** Rules and if you have not registered a solicitation objection with us, **NCIM** and their affiliates may contact you by telephone or other interactive dialogue about products and services which may be of interest to you. You agree that we have your permission to contact you on any telephone number that you have provided.

11.34 You agree that:

- a) we may give details about you and your **account** to **NCIM** and the companies or other concerns whose **investments** you hold; and
- b) **NCIM** and/or companies or other concerns whose **investments** you hold may disclose details about your **investments** to us.

- 11.35 Unless you have given us your consent, we will not provide information about you to companies outside of **NCIM** to use for their **marketing** purposes. We disclose personal information only with your consent, or if we are required to do so by law. Sometimes we need to give information to our agents and subcontractors so that they can provide a particular service for us. Sometimes, these companies may be located abroad in countries that do not have data protection laws. In these circumstances we always take great care to ensure that your personal information is kept safe and secure.
- 11.36 We may record telephone conversations to fulfill regulatory record keeping requirements, offer you additional security, resolve complaints and improve our service standards. Conversations may also be monitored for staff training purposes.
- 11.37 If you e-mail us, or give us your e-mail address, we will keep a record of it. We may provide your e-mail address to **NCIM**, who may use it to contact you occasionally about their products and services, unless you ask us not to do so. We will not give your e-mail address to any unauthorised third parties.
- 11.38 If you send us e-mail over the Internet, remember that it will be 'unsecure' and could be intercepted. If you do send us 'unsecure' e-mail, please keep the amount of confidential information you include to a minimum. We will do likewise when we reply.
- 11.39 Certain information collected may be classified as sensitive and we can only use such data where we have your explicit consent. This data relates to racial or ethnic origin, political opinions, religious beliefs, trade union membership, physical or mental health, sexual life, criminal proceedings and offences and will only be processed in order to provide the service requested.
- 11.40 Under the Data Protection Act you have the right of access to information we hold about you on our records. The Act allows us to charge a fee of £10 for this service. If anything is inaccurate or incorrect, please let us know and we will correct it.
- 11.41 We may disclose any information that we have about you or your **account** to any governmental or regulatory body entitled by law to that information.

12 Supplementary conditions for ISAs

When will an ISA become active?

- 12.1 For the purposes of the **ISA Regulations**, your **ISA** will not start until we have received your first subscription

How can subscriptions be made into an ISA?

- 12.2 You can subscribe to an **ISA** by:
- debit card** – provided that we receive an 'authorisation' from your card provider, we will deem this to be cleared funds immediately;
 - direct debit – if you have set up a direct debit facility on your **account** we will request the subscription from your nominated bank **account** on the same working day as we have received your instructions. We will deem these to be cleared funds immediately;
 - we will also accept a cheque. If we agree to accept payment by cheque, we may not accept any dealing instructions from you until the cheque has cleared, or
 - giving us your existing **investments**. You must be solely and beneficially entitled to these **investments** and they must be free of any charges. We will sell these **investments** and transfer the money from the sale into your **ISA** to buy new **investments**. When giving us your existing investments, please note the **settlement** date of the sale will be treated as the subscription date to the **ISA**. There are charges for this service which are available upon request by calling us on 0845 850 0181
- 12.3 You can transfer **investments** or the cash value of an **ISA** held with another **ISA** Manager into the **NCIM ISA**. Any cash value transferred into the **NCIM ISA** must be held pending investment in the allowed qualifying investments. Investments in shares, other than those which are allowed qualifying investments will need to be sold and switched into allowed qualifying investments.
- 12.4 Subscriptions into your **NCIM ISA** in any **tax year** must not exceed those limits set by HM Revenue & Customs. The limit that applies is detailed in our Key Features Document and **website**. These limits may vary in each tax year.
- 12.5 For monthly subscriptions, we will normally debit funds from your **nominated bank account** on the 1st of each month (or, if that day is not a **working day**, the first **working day** after that day).
- 12.6 For purchases of or subscriptions for **investments**, we will debit the net total due from the funds we hold for you in your **ISA**. If there are insufficient funds in your **ISA**, we will take a payment from your **nominated bank account** for the balance of any subscription.

Can an ISA be transferred from an existing Plan Manager?

- 12.7 We will accept instructions to transfer **ISAs** from another **ISA** Manager in writing or by telephone. Upon receipt of your instruction we will send you a form to complete. Once returned and fully completed we will contact your existing **ISA** Manager to arrange the transfer. To complete the transfer we require the name and address of your current **ISA** Manager and the **account** number(s).

How can an ISA be closed?

- 12.8 We can close your **ISA** at any time by giving you at least 10 **working days'** notice.
- 12.9 You can close your **ISA** at any time in writing or by telephone.
- 12.10 If our appointment as **ISA** Manager is ended for whatever reason, we will give you at least 30 calendar days' notice that we intend to end your **ISA** and notify you of your right to transfer your **ISA** to another **ISA** Manager. Unless you ask us to transfer your **ISA** to another **ISA** Manager we will close it.
- 12.11 If we or you close your **ISA**, we will give you certain options. Charges may apply. Please see the current **Key Features Document**. We will:
- sell the **investments** and pay to you the net sale proceeds and any other cash we are holding for you in the **ISA** (less any charges and other money you owe us);
 - within the time limit stipulated by you in your instructions (subject to a reasonable business period not exceeding 30 calendar days for the practical implementation of your instructions by us) if you ask us, we will transfer the **investments** (less any charges and other money you owe us) in line with the **ISA Regulations** all or part of your **ISA**, with all rights and obligations of the parties to it, to another **ISA** Manager without affecting your tax relief;
 - we will transfer **investments** (less any charges or other money you owe us) to another **nominee**; or
 - arrange for you to be sent a certificate in your name for those **investments**.
- 12.12 We may complete any transactions that we have started before we receive your notice.
- 12.13 Where your **account** has been transferred to another Plan Manager and we receive dividends, interest or other **income** on your behalf we will send this **income** to the new Plan Manager except where the amount is less than *their minimum amount*; *in this instance we will send this income directly to you*.

What communication will there be with the HM Revenue & Customs?

- 12.14 We will give the HM Revenue & Customs any information about your **ISA** that the law says we must.
- 12.15 If we have passed any tax to you that you are not entitled to, we can deduct this amount from your **ISA** and repay HM Revenue & Customs. (see also 7.25 and 12.18)
- 12.17 We are required to **account** to the relevant tax authority for any tax arising from any dividends, interest payments and cash entitlements paid on **investments** in your **ISA**. You authorise us to collect this out of any cash that we hold for you in your **ISA** or, if you do not hold sufficient cash, by selling **investments** from your **ISA**.
- 12.18 Under the **ISA Regulations**, we will tell you if your **ISA** has been made void and will no longer benefit from the tax relief that applies to **ISAs**.
We will tell you to contact your HM Revenue & Customs office with details of your potentially void **ISA**. Alternatively, HM Revenue & Customs may tell us that your **ISA** is void.
In some circumstances we may be able to allow your **ISA** to continue. If this is the case you will be contacted. We may charge for this. Details of our charges are listed in the **Key Features Document**.

How does taxation affect an ISA?

- 12.19 Under the current law relating to tax relief for **ISAs**, we will manage your **ISA** so that it will be free from all Capital Gains Tax. When these conditions refer to tax relief, they mean the tax relief that applies at the date of publication of these conditions. Tax relief could change in the future. If the tax relief that applies to **ISAs** changes, your **ISA** will continue but it will be affected by that change.