

Client Agreement & Terms and Conditions

Disclaimer

Your capital is at risk: By making an investment, the value of your Moneyfarm powered by AllianzGI investment depends on market fluctuations outside of our control and you may get back less than you invest. Past performance is no indicator of future performance. The tax treatment of a Moneyfarm powered by AllianzGI Stocks and Shares ISA depends on your individual circumstances and may be subject to change in the future. You should seek financial advice if you are unsure about investing in an ISA.

This service is being offered by MFM Investment Ltd, trading as Moneyfarm and should not be considered an offering by Allianz Global Investors GmbH or any other Allianz entity. AllianzGI is an abbreviation for Allianz Global Investors GmbH, who will be acting as advisor to Moneyfarm only, without promoting the offering. Neither Allianz Insurance plc, Allianz Management Services Limited, Allianz Global Corporate & Specialty SE, Mondial Assistance (UK) Limited nor any other company in the Allianz UK group or Euler Hermes group is arranging, advising on, promoting, sponsoring or in any other way responsible for the Moneyfarm powered by AllianzGI offering. The products are offered by MFM Investment Limited, trading as Moneyfarm, an investment adviser and investment management company authorised and regulated by the Financial Conduct Authority. AllianzGI is an abbreviation for Allianz Global Investors.

Defined Terms

Account means the account you open with us in connection with the provision of the Services, and which is accessible via the Website.

Advisory Service has the meaning given to it in Condition 6.2.

Agreement means the agreement between you and us for the provision of an Advisory Service and/or a Discretionary Service, and which consists of:

- o These Terms and Conditions; and
- o The information you have provided in your Profile on the Website in connection with your Portfolio.

Associate means any company that is a Third Party with which Moneyfarm may establish a partnership agreement from time to time.

Allianz Group refers to the group of companies under the Allianz structure that participate in the Moneyfarm powered by Allianz Global Investors Initiative.

AZ Investors means the UK-based employees of the Allianz Group and, as the case may be, the members of their families and/or household in the UK.

CASS means the FCA's Client Assets Sourcebook.

COBS means the FCA's Conduct of Business Sourcebook.

Discretionary Service has the meaning given to it in Condition 6.2.

FCA means the Financial Conduct Authority and any successor organisation(s). The address of the FCA is 25 The North Colonnade, Canary Wharf, London E14 5HS, www.fca.org.uk.

FCA Rules means the rules, guidance, principles and codes of conduct that make up the Handbook of Rules and Guidance issued by the FCA in the UK.

Financial Instrument has the same meaning as in the FCA Handbook.

FSCS means the Financial Services Compensation Scheme.

FSMA means the Financial Services and Markets Act 2000 (as amended).

ISA Agreement means an Agreement, plus the Moneyfarm powered by AllianzGI Stocks and Shares ISA Application Form and the Moneyfarm powered by AllianzGI ISA Transfer Form, which are available on the Website.

MiFID means the European Parliament and Council Directive on markets in financial instruments (No. 2004/39 EC).

Laws means:

- (i) All laws and regulations which are relevant to this Agreement;
- (ii) The FCA Rules or any other rules of a relevant regulatory authority; or
- (iii) The rules of a relevant stock or investment exchange.

Non-Complex Financial Instruments means any Financial Instrument which satisfies the test set out in rule 10.4.1R of the Conduct of Business Chapter of the FCA Handbook.

Objectives has the meaning given in Condition 7.1.

Portfolio has the meaning given in Condition 3.2.

Profile has the meaning given in Condition 3.4.

Retail Client has the same meaning given to it in the FCA Handbook.

Risk Disclosures means the separate document which sets out the risk disclosures for our investment service.

Schedule of Charges means the schedule of charges supplied to you at Appendix 2 to these Terms and Conditions which may be subject to change in the future.

Services has the meaning given in Condition 6.

Stocks and Shares ISA Management Service has the meaning given in Condition 6.2.

Terms and Conditions means these terms and conditions, as amended in accordance with Condition 24.

Third Party means, in the context of our services, any company or entity that is not Moneyfarm or any of its subsidiaries, as they may be incorporated from time to time.

Website means our website: <https://allianzgi.moneyfarm.com/uk/> , and includes our app(s) and functionalities as developed from time to time.

We, us, our means MFM Investments Ltd trading as Moneyfarm. Our registered office is 90-92, Pentonville Road, London N1 9HS, UK (Company no. 9088155). We are authorised and regulated by the Financial Conduct Authority, licence No 629539.

You, your, customer, client means any investor operating an Account with us.

1. Terms and Conditions for Retail Clients

1.1

These Terms and Conditions, together with the information you provide in your Profile and your Portfolio on our Website form part of the Agreement between you and us for the provision of the Services set out below in Condition 6. These Terms and Conditions contain important information regarding the Services that we will provide to you and for your own protection you should read them carefully before accepting them. If you do not understand anything in these Terms and Conditions please email ask@Moneyfarm.com and ask for further help and information.

2. Commencement of these Terms and Conditions

2.1

The Agreement will become effective, and we shall begin providing the Services to you, once we have opened your Account and you have provided us with the KYC and AML information as specified in Condition 4.1 below.

3. Communications and Instructions

3.1

As our client, we may communicate with you at any time, including, when appropriate by telephone. If as a result of any unsolicited communication, you enter into any investment

investment transaction as unenforceable. We may record any phone conversations between you and us without your knowledge. These recordings are our property and we may use them in evidence if there is a dispute or for any other reasonable matter.

3.2

We will only accept specific and clear instructions and notifications in relation to investments we hold on your behalf (your "**Portfolio**"), if we receive the instructions from:

(a) you; or

(b) from a person you have previously told us has the authority to give instructions on your behalf, via a duly signed Power of Attorney.

These instructions are limited to topping up, withdrawing or liquidating the investments in your Portfolio. You will not be able to decide on individual investments. These instructions may be given electronically using the website, by phone, fax, in writing or by communicating with us via your Account mailbox. We will not be obliged to act on any instruction and in particular we will not act on any instruction where it is illegal or against any Law to do so. Where we do act on your instructions we will do so as soon as reasonably practicable once we have received them.

3.3

We may act on any instruction or other notification which we believe in good faith is from you without carrying out any further checks or investigations. We will not be liable for following an instruction or notification which is not in fact genuine or for not following or for investigating further any instruction or notification we believe may not be genuine. We will not be liable for any error of transmission or misunderstanding, or for the fraud of any other party (except in the case of our negligence, wilful default or fraud as described in Condition 21 of these Terms and Conditions). We are not obliged to acknowledge receipt of your instructions but will do our best to do so.

3.4

We shall send out all notices, information and other correspondence to you by email at the email address that you specify, or any other email address as you may designate in your personal profile on the Website ("**Profile**") from time to time. In the event any notice, information or other correspondence is sent to you via letter, such letter will be sent to the postal address that you gave us, or such postal address as you may later designate in your Profile, and will be deemed to be delivered on the second business day after posting.

3.5

We may record and monitor telephone conversations that we have with you. We will store

recordings for the period required by law or for as long as we consider appropriate.

3.6

We cannot guarantee that electronic communications will be successfully delivered, or that they will be secure and virus free. We will not be liable for any loss, damage, expense, harm or inconvenience caused as a result of an email being lost, delayed, intercepted, corrupted or otherwise altered or for failing to be delivered for any reason beyond our reasonable control.

3.7

All communications in relation to services provided under these Terms and Conditions will be in English.

4. Your Information

4.1

We are required to verify your identity in accordance with UK Anti-Money Laundering Regulations. For this reason we may use your personal data, as defined in the EU Data Protection Directive (“**personal information**”), in order to carry out electronic searches on private and public databases. We will keep records of any information obtained. We may use credit reference agencies which will record that an enquiry has been made, however, your credit score shall not be affected by any such enquiries. By entering into this Agreement you confirm your acceptance of our use of credit reference agencies which will result in such a record.

4.2

In order to provide services to you we need to collect, use, share and store personal financial information about you, including your personal information. We make every effort to protect the privacy of our clients’ personal information. Other than as set out below, your personal information will not be disclosed, transferred or sold to any third party for any purpose.

4.3

You authorise us to use any of your personal information which is relevant to our provision of services to you for all reasonable purposes in relation to your Portfolio. We may retain and continue to process your personal information after the termination of this Agreement or any other agreement between you and us. Your personal information may be processed by or transferred or disclosed to and/or by third parties where necessary to enable us to provide services to you, including your financial advisor (if relevant) and relevant stock exchanges and regulators. Your personal information may be transferred outside of the European Economic Area.

4.4

With your consent, your personal information may be used by us in order to provide you with information and marketing materials in relation to other products and services which we may include within our offering from time to time. By entering into this Agreement you confirm your wish for your personal information to be processed for these additional purposes. If you do not wish your personal information to be processed in this way, please notify us by email by contacting the firm at ask@Moneyfarm.com.

4.5

You can request copies of your personal information held by us or any service provider we appoint to provide you with the services under these Terms and Conditions by contacting the firm at ask@Moneyfarm.com. You should notify us if any of the information held is incorrect.

5. Client Categorisation

5.1

The Services provided under these Terms and Conditions are provided by us on the basis that you are a Retail Client. This means that you are entitled to the protections that must be provided to Retail Clients under the FCA Rules. If you would like further information on the nature of these protections, please notify us by email by contacting the Compliance Officer at uk.compliance@moneyfarm.com.

5.2

Subject to the information you provide us upon registering, we may categorise you other than as a Retail Client. You may request for a reclassification to be treated as a Retail Client by sending a written notification to the firm's Compliance Officer at uk.compliance@Moneyfarm.com.

6. Services

6.1

The services that we will provide in accordance with these Terms and Conditions are only available to introduced investors. At our discretion, and in line with our regulatory permissions, we may accept investors who are non-UK residents, providing we are able to satisfy certain requirements to confirm the status, identity and any other relevant information of such clients.

6.2

We are able to provide you with a number of different services.

We are a privately-owned company which offers restricted advice. Moneyfarm does not recommend, or make investments on your behalf in, products from the whole of the market, but rather a limited range of products from a limited number of carefully selected companies, primarily those connected to the Allianz Group. We do not take any back-end fees or commissions on the financial products we recommend.

We are not tied into any one provider of financial products. However, for the purposes of these terms applicable to introduced investors, we have entered into a Consultancy Agreement and a Cooperation Agreement with Allianz Global Investors GmbH (AllianzGI), whereby AllianzGI will provide Moneyfarm with investment recommendations. Moneyfarm shall remain howsoever solely responsible for ensuring that the investment decisions taken based on AllianzGI's recommendations in connection with the investors' portfolios are suitable to your profile at all times.

Our services are as follows:

Advisory Service: We use the information you provide about your investment and risk objectives to make an investment recommendation to you in the form of a suitable initial portfolio or portfolios which we will then manage on your behalf.

Discretionary Management Service: We use our expertise to build and fully manage your Portfolio (e.g. in the form of a Moneyfarm powered by AllianzGI Stocks and Shares ISA or GIA) according to your stated investment and risk objectives. This means that we monitor the performance of your Portfolio, using our discretion to adjust and balance your investments with your specific objectives in mind. You could invest up to £15,240 in the 2016/17 tax year in a Moneyfarm powered by AllianzGI Stocks and Shares ISA, sheltering future returns from capital gains tax. Moneyfarm will build and manage your portfolio according to your investment and risk objectives using our Discretionary Management Service. There are, however, additional terms which apply to clients to whom we provide this ISA service, and these are set out in Conditions 36 to 40 below.

Safe custody of your investments

(together, the "**Services**").

7. Discretionary Management Service

7.1

Your Account comprises personal information about you and your risk profile in addition to different investment objectives in relation to each of your funds ("**Funds**") within your overall investment portfolio.

7.2

You have provided us with information on your appetite for risk and your investment

unless we reasonably believe that it is false or misrepresented we will use these to manage your Account. You may change your Objectives at any time by updating your Account or by contacting us by telephone and/or email at ask@Moneyfarm.com. We reserve the right to amend and reissue the Agreement following such change. You agree that the Account is fair and reasonable and an accurate reflection of your Objectives, and we may assume this to be the case unless you notify us of any change you wish to make or where we consider changes are necessary following a periodic review.

7.3

When providing you with a Discretionary Management Service, we will take all reasonable steps to manage your Portfolio with due skill and care.

7.4

We will manage your Portfolio in accordance with the information in your Account. Provided that we do so, you grant us full authority, at our sole discretion, to enter into any kind of arrangement or transaction on your behalf including investing in any type of investments or other assets. For the avoidance of doubt, there will be no limit on the amount of your Portfolio that we may invest in any one investment, or on the proportion of your Portfolio that any one investment may make up, and there will be no limit or restriction on any particular type of investment, or currency, or on the markets on which transactions are carried out. However, the investment will be in line with the risk category you have been allocated to.

7.5

We may make common investment decisions which apply to a number of client portfolios including your Portfolio.

7.6

Details of the nature and risks of the investments in which you may be invested are set out in the Risk Disclosures document which forms part of this Client Agreement and is provided separately. Please note that we are unable to provide any guarantee as to the performance of any particular investments or a portfolio as a whole. It is important that you read, and are aware of the risks associated with opening an Account with us.

7.7

When providing you with Discretionary Management Services, we will comply with the relevant laws and regulations, including the FCA rules relating to suitability, which are set out in further detail in Condition 10 below.

7.8

for you, based on your then current Objectives. We will also automatically re-balance your Portfolio on a regular basis without seeking your consent to do so.

We use appropriate benchmarks to evaluate our performance. Further details on our investment strategy is available on our website.

8. Advisory Service

8.1

We will provide you with an initial investment recommendation with regard to the Portfolio or Portfolios that we deem to be suitable for you based on the information you have provided to us.

8.2

This recommendation will only be given once a suitability assessment has been completed. Further details of this suitability assessment are set out in Condition 10 below.

8.3

Subject to Condition 8.4, we will not provide any further Advisory Service after the initial Portfolio recommendation. If you choose to accept our recommendation and request that your money is invested in a particular Portfolio, your Portfolio will be actively managed by us in accordance with Condition 7 above. The consequence of this is that we will make changes to the composition of your Portfolio without first seeking your consent to those changes.

8.4

If you advise us that your circumstances or objectives have changed in a way that would be relevant to the suitability assessment described in Condition 10, we may then recommend a different Portfolio or Portfolios to the one that you are at that point invested in.

9. Initial and Minimum Investment

9.1

We do not require a minimum investment. However, for portfolio optimisation purposes incl. diversification, we suggest an initial investment above one of the following thresholds:

(a) for an initial investment without a regular monthly payment, a basic threshold of £1,500; or

(b) for an initial investment with a regular monthly payment of at least £50, a lower threshold of £500.

9.2

For investment amounts below £1,500, it is sometimes not possible to build a fully diversified portfolio. In this scenario, we will build up the number of investments as you add more money to your account. However, until you reach £1,500 you may find that you have a larger than normal allocation to cash while we wait for more money to buy investments. The investments we buy will always be relevant to your Investor Profile.

10. Suitability

10.1

Prior to providing any Discretionary Management Service or Advisory service, we will assess the suitability of a portfolio and any transactions based on:

(a) the information you have provided to us about your knowledge and experience of the investment field relevant to the particular kind of investment, including, where appropriate:

- (i) the types of transaction with which you are familiar;
- (ii) the nature, volume, frequency of your transactions;
- (iii) the period over which they have been carried out; and
- (iv) your level of education, profession or relevant former profession; and

(b) your financial situation and your Objectives;

(c) other factors such as your age and risk appetite.

10.2

When providing the Services to you, we will at all times comply with the requirements of the relevant FCA Rules, including (but not limited to) the requirements of COBS 9 (Suitability).

We may ask you to provide further information upon request in connection with the provision of Services, for the purpose of ensuring that we have a reasonable basis for believing that:

(a) the Services being provided meet, and will continue to meet, your Objectives;

(b) you are able financially to bear any related investment risks consistent with the Objectives; and

(c) you have necessary experience and knowledge to understand the risks involved in the operation of the Account.

right to cease making investments on your behalf and refuse to provide you with an investment recommendation until we have received the information required from you to assess suitability.

10.3

In certain circumstances, we may be obliged to provide you with suitability reports. We will provide you with suitability reports where required under the FCA Rules.

11. Best Execution

11.1

Where we deal on your behalf, we will normally be required to provide best execution in accordance with the rules set out in COBS 11.2 of the FCA Handbook, meaning that transactions entered into should be on the best terms reasonably available. To achieve best execution, we will deal in accordance with our best execution and order handling policy, which is provided on a separate document to this Client Agreement.

11.2

Any specific instructions provided by you may prevent the firm from taking the steps that it has designed and implemented our best execution policy to obtain the best possible result for you.

12. Pooling

12.1

We may pool (aggregate) your transactions with those of other clients without seeking agreement from you beforehand. We will only do so where we believe that this is unlikely to disadvantage your overall position, although it may do so in relation to any specific order.

13. Delegation and Referrals

13.1

We reserve the right to perform any of our obligations to you through the agency of an associate or any third party of our choosing. This means that we may appoint another person or entity to provide the services to you under these Terms and Conditions. We will take all reasonable steps to satisfy ourselves that any person whom we appoint to provide any services to you or to perform any of our obligations on our behalf is suitably competent to do so. We will ensure that all such parties agree to provide you with best execution rules set out in COBS 11.2.

13.2

services. We will not make any such referral without your agreement. We may also accept referrals of business from third parties.

14. Fees and Charges

14.1

Our fees and charges are calculated on the basis and at the rates shown and are payable as set out in the Fees and Charges Schedule at Appendix 2. We reserve the right to change these rates from time to time and will notify you of any such changes in writing.

14.2

We may deduct any amounts payable by you to us from your Account. If the available funds are insufficient, we may sell assets held as part of your Account to cover such charges.

14.3

We may pay (or receive from third parties) fees in relation to referrals of business.

14.4

We may receive payment from, or share charges with, a third party. Further information about such payments or shared charges is available on request.

15. Statements and Reports

15.1

We will provide valuation reports to you electronically on a six-monthly basis. These reports will include details of all transactions during the relevant period, details of the contents of your Account, the current market value and the basis of valuation, income and interest and fees charged.

15.2

If your employer requires confirmation we will provide a letter certifying the provision of services on a discretionary basis. In general most employers will accept an electronic copy of this letter which we will provide free of charge. If however you require an original signed copy we can post this to you. Requests to issue certification letters should be sent to us by email for the attention of the Compliance Officer at uk.compliance@Moneyfarm.com.

16. Execution Venues and Counterparties

16.1

Unless otherwise expressly agreed in advance in writing, we may deal on any markets or

reasonably available. All transactions will be carried out in accordance with the rules and regulations of the relevant market or exchange, and we may take any steps as may be required or permitted by such rules and regulations and/or by appropriate market practice.

17. Client Money

17.1

Any cash held in your Portfolio will be held in accordance with the FCA client money rules in one or more segregated accounts with a carefully selected banking institution. Client money accounts may include the balances of more than one client. Client money may also be placed on overnight or short-term deposit. We will act in good faith and with due diligence in the selection and monitoring of banks holding client money. Where relevant you will be responsible for any additional income tax liability which may be incurred.

17.2

We may operate client money accounts outside the UK and therefore please note that:

(a) different legal and regulatory provisions will exist outside the UK and the protections may not be equivalent to those available in the UK. In the event that a bank located outside of the UK defaults, fails or otherwise is unable to meet its obligations, money held on behalf of clients may be treated differently than if the money was held in the UK;

(b) we will only hold client money in an account outside the UK where the relevant bank has confirmed that all money standing to the credit of the account is held by it as trustee and that the bank is not entitled to combine or set off the account in respect of any money owed to it on any other account held with it, whether in our name or not.

17.3

Client money may be passed by us to a settlement agent in a jurisdiction outside the UK. If the settlement agent defaults, fails or is unable to meet its obligations, client money may be treated differently from the position which would apply if the money was held in the UK.

17.4

We reserve the right to only make external payments to and to accept payments from the bank account stated in your Account.

18. Custody

18.1

Your non cash investments (**Custody Assets**) will be held subject to the FCA rules in an account with an authorised custodian. We will cause to be opened such accounts as are necessary to safeguard adequately your ownership rights in these securities and other assets

in the event of our insolvency, and to minimise the chance of loss or diminution of those assets. However, for the avoidance of doubt, for the time of your investment in general we are the legal owners of the assets dedicated to you.

18.2

You hereby authorise us to register or arrange the registration of Custody Assets in any name permitted by the FCA Rules. Normally your Custody Assets will be held in our name in accounts with the custodian, designated in a way that makes it clear that the Custody Assets are held for your benefit according to the Client Assets Sourcebook (**CASS**). In some cases our Custody Assets may be held in an omnibus account which contains the assets of more than one client. In the event of the insolvency of the custodian or any sub-custodian, it may not be possible to identify which of those assets belong to you and we may therefore be unable to recover the Custody Assets on your behalf either in full or at all.

18.3

Where the Custody Assets are subject to the law or market practice outside the United Kingdom and it is in your best interests to do so, we may register or record your Custody Assets in our name, the name of the custodian or the name of a sub custodian. If Custody Assets are held in our name or that of the custodian or a sub custodian, the Custody Assets may not be segregated or separately identifiable from our assets or those of the custodian or the sub custodian and, in the event of a default by us or the custodian or sub custodian, may not be as well protected from any claims by our or their creditors.

18.4

If we or the custodian or a sub-custodian deposit your Custody Assets with a non-EEA financial institution, they will be subject to the law of that state and your rights in relation to those assets may differ accordingly. Your Custody Assets will not be deposited with a person in a non-EEA state which does not regulate custody activities unless:

- (i) the nature of the financial instrument requires it to be deposited in such a state; or
- (ii) we receive a prior written instruction from you, in which case the consequences of so doing are entirely at your own risk.

18.5

We will exercise all due skill, care and diligence in the selection, appointment and periodic review of the custodian and the arrangements under which the custodian holds the Custody Assets. The custodian will exercise all due skill, care and diligence in the selection, appointment and periodic review of any sub-custodian and the arrangements under which such sub-custodian holds the Custody Assets. Subject to any applicable legal or regulatory requirement we shall not be responsible for the acts or omissions, default or insolvency of the custodian or any sub-custodian holding Custody Assets which we hold for you.

18.6

Our rights against the custodian and the custodian's rights against sub-custodians to which it delegates safekeeping of the Custody Assets, and therefore the Custody Assets themselves, may consist only of a contractual claim and not a proprietary right in the Custody Assets themselves. This means that in the event of the insolvency of the custodian or a sub-custodian (or similar event), it may be that we will rank as an unsecured creditor and will be unable to recover the Custody Assets on your behalf either in full or at all. In some circumstances you may be entitled to claim against the FSCS for losses sustained, as described in clause 27.

18.7

Where we choose to hold an amount of our money to cover a shortfall (i.e. where we discover we are not holding assets of sufficient value to meet our obligations to you), we will hold that amount for the Client in accordance with the FCA's client money rules (**Cover Amount**) until the shortfall is resolved, unless otherwise agreed. Where the relevant shortfall reduces or is otherwise resolved, the Cover Amount (or the portion thereof in excess of the relevant shortfall) shall become immediately due and payable to us. In the event of termination of the Agreement, we will treat payment to you of such money covering a shortfall as fully discharging our obligation to you to return the securities which were the subject of that shortfall. The custodian will be under the same obligation in the event that it identifies a shortfall.

19. Income

19.1

Income earned on the investments held in your Portfolio which is payable to you will be remitted to your Portfolio and may be reinvested.

20. Interest

Interest earned on cash in your Portfolio is calculated on at least a half annual basis. Interest earned on cash will be remitted to your Portfolio and may be reinvested.

21. Conflicts of Interest

21.1

We or anyone connected with us, may carry out certain transactions for you where we, or another client of ours, have a duty that may conflict with our duty to you. We will manage any such conflict or potential conflict to ensure that it does not materially affect the transactions we carry out for you. We will inform you if we consider that we cannot adequately manage a conflict.

Our Conflicts of Interest Policy is detailed in a separate document provided with this Client Agreement. This sets out the types of actual or potential conflicts of interest which may arise given the nature of our business and provides details of how these are managed. Further details and updates of this policy can be found on our website or provided on request.

22. Liability

22.1

We accept responsibility for any loss, damages or costs suffered or incurred by you only to the extent that such loss arises directly from our gross negligence, wilful default, fraud, and/or our deliberate and wilful breach of any duties which we owe you under the FSMA, Regulations or FCA Rules. We will not be liable for any other losses, damages or costs suffered or incurred by you.

22.2

We will take reasonable care in the assessment and appointment of sub-custodians, bankers, counterparties, agents and other third parties. We accept responsibility for any loss, damages or costs incurred by you only where these arise from our negligence, wilful default or fraud in the assessment or appointment of such persons. We will not be responsible in any other circumstance for the actions of any such third parties.

22.3

We do not accept responsibility for any loss, damages or costs you may incur as a result of any cause beyond our reasonable control.

23. Indemnity

You will indemnify us against any liability, cost, expense, loss or any damage incurred by us (including but not limited to professional advisors' fees) arising from your breach of these Terms and Conditions, negligence, wilful default or fraud.

24. Our Duties to You

No provision of these Terms and Conditions will be deemed to restrict, qualify or exclude any duty owed to you under the Laws and Regulations which apply to us. Subject to that, we do not owe you any further duties except as expressly set out in these Terms and Conditions.

25. Amending These Terms and Conditions

We may amend these Terms and Conditions by giving you 10 business days' notice by email in the event of any material changes. If we are required to amend these Terms and Conditions in order to comply with any applicable Laws and Regulations however, we may do so with immediate effect.

26. Complaints

26.1

Should you have any complaints in relation to our services, please notify us by emailing the Compliance Officer at uk.compliance@moneyfarm.com. We will aim to acknowledge your complaint promptly, investigate the circumstances when required, and report the results to you in accordance with the FCA rules.

26.2

If your complaint is unresolved 8 weeks from the date you first made the complaint you may refer it directly to The Financial Ombudsman Service ("FOS"). The address of FOS is South Quay Plaza, 183 Marsh Wall, London E14 9SR www.financial-ombudsman.org.uk. Certain clients, such as larger companies and trusts may not have access to the Financial Ombudsman Service.

26.3

Further details on our Complaints Handling Procedure can be found on our website under the documents section.

27. Compensation

27.1

Moneyfarm is covered by the Financial Services Compensation Scheme ("FSCS"). You may be entitled to compensation from the FSCS in the event that we have stopped trading, are declared to be in default or otherwise cannot meet our obligations. Your potential entitlement to compensation depends upon the type of business we provide you and the circumstances of your claim. The FSCS offers different levels of cover for different types of business. Most types of investment business are fully covered up to a limit of £50,000. Further information about compensation arrangements is available from the FSCS website (www.fscs.org.uk).

27.2

In the event that a particular investment which comprises part of your Portfolio, or your Portfolio in its entirety underperforms, does not match any illustrated benefits or otherwise is not able to meet its obligations, this will not, for that reason alone, entitle you to any

compensation under the FSCS.

28. Termination

28.1

You may terminate these Terms and Conditions at any time. Termination will take effect 7 business days after we receive notice from you via email or through the website of your wish to terminate these Terms and Conditions.

Your right to terminate these Terms and Conditions set out above is subject to the settlement by you of all outstanding transactions, fees and charges, details of which are set out in the Fees and Charges Schedule located at Appendix 2 to these Terms and Conditions.

We may pass on to you charges levied by third parties as a result of the termination of these Terms and Conditions.

Transactions already in progress will be completed in the normal course of business.

28.2

We may terminate these Terms and Conditions by giving you 10 business days' notice in writing, subject to the settlement of all outstanding transactions.

28.3

No additional amount will be payable by you solely for terminating this Agreement, except that you will pay a due proportion of our fees to the date of termination and any other applicable fees or transfer charges, details of which are outlined in the Fees and Charges Schedule set out at Appendix 2 to these Terms and Conditions, together with any expenses reasonably incurred by us in giving effect to such termination and any losses incurred in settling or concluding our outstanding obligations.

28.4

We may deduct these fees and expenses from any part of your Portfolio and/or sell assets from your Portfolio to cover such fees and expenses.

28.5

On termination of these Terms and Conditions, we will, following the payment of any outstanding amounts owing to us in accordance with clause 27.3, and the settlement of all outstanding transactions relating to your Account, re-register your assets and transfer your cash as you reasonably request. If you make no reasonable request we will take steps to re-register your assets in your name and to transfer your cash to you at our discretion.

29. Assignment

29.1

You do not have the right to assign or otherwise transfer to any other party your rights or obligations under these Terms and Conditions.

29.2

We may assign our rights and obligations under these Terms and Conditions at any time, and will send you notice by email of any such assignment prior to its taking effect.

30. Inactive Accounts

We will mark any Account as dormant if it has been inactive for at least one year to protect both you and us. If you ask us, we will tell you how you can access your Account. If you have money in a dormant Account, it will remain your property (or if you die it will form part of your estate).

31. Entire Agreement

These Terms and Conditions constitute the entire agreement between you and us and supersedes and extinguishes all previous agreements and arrangements between us, whether written or oral, relating to its subject matter.

32. Governing Law

32.1

These Terms and Conditions and any dispute or claim arising out of or in connection with it (including non-contractual disputes or claims) will be governed by and construed in accordance with the law of England and Wales.

32.2

The parties irrevocably agree that the courts of England and Wales will have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with these Terms and Conditions (including non-contractual disputes or claims).

33. Cancellation

33.1

You have a period of 14 days, beginning on the date on which your Account is opened or the date on which you receive a copy of these Terms and Conditions and other related documents, whichever is the latest, within which to cancel your Account. Moneyfarm will sell any investments made on your behalf during this period but will not be responsible for

any market loss that you may incur as a result.

34. Third Parties

A person who is not a party to these Terms and Conditions cannot enforce or enjoy the benefit of any term of these Terms and Conditions under the Contracts (Rights of Third Parties) Act 1999.

35. Timing

35.1

These terms & conditions were established in September 2017 and may be amended from time to time.

APPENDIX 1: Additional Terms for Clients with Stocks and Shares ISAs

36. Important Information

36.1

This section contains additional terms and conditions which are applicable to the Stocks and Shares ISA. It should be read in conjunction with Conditions 1 to 33 above which contain the general terms and conditions for investment services.

36.2

You are subscribing to this Stocks and Shares ISA for the current tax year and each subsequent tax year in which you subscribe to the Stocks and Shares ISA, and/or transferring to us a current tax year and/or previous tax year ISA from another ISA manager.

36.3

You cannot subscribe to a Stocks and Shares ISA if you have already subscribed to any other Stocks and Shares ISA in the same tax year.

36.4

To subscribe for a Stocks and Shares ISA you have to be a UK resident aged 18 or over.

36.5

These Terms and Conditions will commence on the day we have both a valid application and receipt of your first subscription, or where you are transferring to us from another ISA manager, on the day we have both a valid transfer application form and receipt of the proceeds of transfer from your previous ISA manager.

37. Investment Strategy

37.1

Your Stocks and Shares ISA will be invested on a discretionary basis in accordance with your Objectives set out by you in your Account subject always to the requirements of HM Revenue & Customs (“HMRC”).

37.2

For each new tax year, all contributions to your Account will be allocated first to your Stocks and Shares ISA until the maximum subscription is reached for that year, or until your own pre-set limit. Once the maximum subscription or your own pre-set limit is reached, future contributions are allocated to the non-ISA remainder of your Account.

37.3

for you based on your current Objectives. We will automatically re-balance your Stocks and Shares ISA on a regular basis without obtaining your consent to do so.

38. Investing in a Stocks and Shares ISA

38.1

Investments into a Stocks and Shares ISA may be by cheque, bank transfer, transfer of cash from an existing Portfolio held with us or by transfer from another ISA manager (subject to HMRC's ISA transfer rules).

38.2

You will at all times be the beneficial owner of any investments held in your ISA. You must not use the investments and/or cash in your ISA as security for a loan except to the extent permitted by the Individual Savings Account Regulations 1998 ("**Regulations**").

38.3

Your investments will be registered in the name of, or otherwise held to the order of Moneyfarm as the ISA Manager's Nominee. You will at all times remain the beneficial owner of any of your investments that are held by Moneyfarm.

38.4

The total of contributions to be invested in any tax year will not be more than the maximum permitted to be invested in stocks and shares by the Regulations for that tax year.

39. Withdrawing your ISA Investment

39.1

You will not incur tax liabilities by withdrawing. We will send an acknowledgment of your instructions to you at the email address you designate in your Account.

39.2

At your request, we will transfer all or part of your ISA investments (with the associated rights and obligations) to another ISA manager, subject to HMRC's ISA transfer rules.

39.3

We will process your withdrawal or transfer request promptly and normally within the 30 days maximum period stipulated by HMRC, subject to circumstances outside our control. Should you wish the withdrawal or transfer to take place at a particular time, we will endeavour to meet this request. However, in the case of transfers, we are reliant on the receiving manager and cannot guarantee to do so.

40. ISA Regulations

You authorise us to disclose to HMRC all such information as required by law. We will notify you in writing if, by reason of any failure to satisfy the provisions of the Regulations, your Stocks and Shares ISA becomes void.

41. Delegation

We will satisfy ourselves that any person to whom we delegate any of our functions or responsibilities under the Terms and Conditions is competent to carry out any of those functions and responsibilities.

42. Timing

We last updated these Terms and Conditions on 4th October 2017.

APPENDIX 1: FEES AND CHARGES SCHEDULE

1. CATEGORIES

Fees and charges fall into three categories:

- (a) Advisory and discretionary management fees;
- (b) Fund management fees;
- (c) Withdrawal charges; and
- (d) Additional charges.

2. ANNUAL MANAGEMENT FEES

This fee is a percentage of your total assets under management with us. Moneyfarm shall be entitled to receive an advisory and discretionary portfolio management fee. This all-in fee amounts to 0.35% p.a. including VAT (except for AZ Investors, who will be charged 0.30% p.a. including VAT). We reserve the right to review the fees where we believe total gross contributions are being manipulated by deposits and subsequent withdrawals, or other unreasonable activity.

3. FUND MANAGEMENT FEES

An all-in fee for the management of the underlying mutual funds is charged directly to the funds. Fund management fees are expected to range at 0.35%-0.80% p.a. per underlying mutual fund.

4. WITHDRAWAL CHARGES (NOT SUBJECT TO VAT)

Moneyfarm does not charge any withdrawal fee.

5. ADDITIONAL CHARGES (NOT SUBJECT TO VAT)

There are no additional charges.