

# Platform Services Terms of Business

## Introduction

Your Financial Advisor has instructed us to provide you with our Platform Services. These Terms explain the basis on which we will do this.

We, Verso Wealth Management Limited (“Verso”) is a company in the Verso Wealth Management Group, and is an investment firm providing, amongst other things, Platform Services. Verso Wealth Management is a trading style of Verso. Verso is authorised and regulated by the Financial Conduct Authority (FCA) and our FCA number is No. 153871. Verso is a company registered in the UK with company number 02625986. Our registered office is 22 Cross Keys Close, London, England, W1U 2DW.

The Platform is an online wealth management service provided by Verso Wealth Management Limited, with various services provided directly by Nucleus Financial Services Limited (as explained in these terms).

The main terms govern the services provided by Verso Wealth Management Limited and the Custodian terms (Schedule 2) cover the services provided by Nucleus under the arrangement.

Appended to these Terms are two schedules:

Schedule 1: Our standard platform charges. The specific fee schedule agreed with your Advisor may vary and will be set out in your recommendation letter.

Schedule 2: The Custodian Terms. The terms and conditions of the Custodian used to hold your money and assets and provide certain of the Platform Services. Upon agreeing to these Terms, you are also agreeing to the Custodian Terms and will become a client of the Custodian. In the event of a conflict between these terms and Schedule 2, Schedule 2 will take priority.

## Your Financial Advisor

Our Platform Service is designed to be provided via Financial Advisors within the Verso Wealth Management Group. Should you have any questions about your Account and/or the Custodian, you should ask your Financial Advisor in the first instance. Any trade instructions should be sent via your Financial Advisor, albeit you can contact us directly in exceptional circumstances. Should you need to contact us by email: [operations@versowm.com](mailto:operations@versowm.com).

You acknowledge your Financial Advisor is authorised to act on your behalf and is responsible for providing us or the Custodian or any other authorised third party with instructions.

## Our Responsibilities

### Arranging Custody, Dealing and Settlement

We will arrange for a Custodian to safeguard your Assets and provide you with settlement services. The basis on which the Custodian will provide its services and hold your Assets is set out in Schedule 2. By using the Platform Service, you agree to be bound by the Custodian Terms.

We will also arrange for a third party, whether it is the Custodian or another, to provide dealing and execution services. Please note, we are not able to hold any investments or cash in custody.

### Acting on Instructions

We will take reasonable steps to carry out any instructions received from your Financial Advisor (or the Custodian or other third party authorised to act on your account including any discretionary manager appointed to your

Account) in a timely manner. You acknowledge we are not responsible for any loss caused to you where we act on an instruction provided by your Financial Advisor.

### Suitability and appropriateness of investments

Your Financial Advisor will be responsible for ensuring the Model Portfolio is suitable for you initially and on an ongoing basis and the discretionary investment manager will be responsible for ensuring all investment instructions provided to us are suitable for the Model Portfolio.

More generally, when providing the Platform Service, we are not responsible for ensuring the suitability or appropriateness of any investment products or services recommended to you. Your Financial Advisor will remain responsible for this unless notified otherwise.

## Client classification

We classify all Clients as “retail Clients” for investment business and “consumers” for non-investment insurance business which means you are afforded all protections under the rules of the FCA. Should you wish to be classified differently for investment business, please discuss this with your Advisor. Your Advisor will inform you should your circumstances dictate that we would need to classify you differently for non-investment insurance business.

Please note that should you wish to be considered as a different category of customer for investment business, such as a professional Client or eligible counterparty you must inform us in writing. Should we agree to do so, we will provide you with a new Client agreement and

you may lose a number of protections which will be outlined in that new agreement.

## Language

Please note that all our communications and documents will be provided to you in English.

## Client Money

We do not handle Clients' money. We never accept a cheque made out to us (unless it is a cheque in settlement of charges or disbursements for which we have sent you an invoice) or handle cash.

## Fees

Whilst we provide you the Platform Services, you agree to pay the fees set out in schedule 1, as may be amended from time to time in accordance with these Terms.

Where your portfolio(s) have insufficient cash to cover any fees, you authorise us or the Custodian to sell asset(s) from the relevant portfolio(s) and/or account(s) on the platform.

Where applicable, you will incur various other charges and expenses in relation to the investments in their relevant portfolios, including product charges, fund charges and charges for dealing in investments, including transaction charges when investments are bought or sold.

## Taxation

All tax matters relating to your tax position are your responsibility and we have no liability towards you in relation to your personal tax position.

If you are a resident of the UK and are investing with us, your investments will be subject to the UK taxation regime. For UK residents invested in a non-ISA account, tax will be deducted from any funds that you are invested in, by the fund provider.

## Termination

We reserve the right to stop providing you with the Platform Services. Unless there are legal or regulatory reasons preventing us, we will provide at least 30 days' notice of any such termination.

You may terminate the Platform Services at any time. Before doing so, we recommend you discuss the implications and your next steps with your Financial Advisor.

In any event, you will have to pay us for the Platform Services until such date as we have stopped providing them.

In the event you terminate the relationship with your Financial Advisor, if you wish to retain the Platform Services you will be required to appoint a new Financial Advisor within the Verso Wealth Management Group or you will be required to close your account and/or transfer your assets.

If you fail to appoint another Financial Advisor the process set out in the Custodian's Terms in respect of orphaned customers shall apply.

This may result in you remaining a client of the Custodian with an account with reduced functionality, on the Custodian's standard terms and conditions. Becoming an orphaned client may result in you paying increased fees and charges to the Custodian.

## Variation

Unless amendment is required by any applicable laws or it is in your best interests, we may amend these Terms (at any time) by providing no less than thirty (30) days' notice. Where an amendment is required by applicable laws or it is in your best interests, we may amend or depart from these Terms with less or no notice. We may, from time to time (without notice), make minor (non-material) amendments to correct any typographical, punctuation, grammatical errors, or other similar errors.

## Assignment

We may assign or transfer any of our rights or obligations under these Terms to a third party. When we transfer our business to a third party, we would have discharged our duties to you if we have complied with our regulatory obligations.

We will provide you notice of such assignment or transfer. If you object to such assignment or transfer, you may terminate your relationship with us or any assignee/transferee in accordance with the termination provisions in these Terms.

## Conflicts of Interest

We have a legal and regulatory obligation to take all appropriate steps to identify and to prevent or manage conflicts of interest from arising. In the event of any of our business interests or activities creating a potential conflict of interest we will ensure that we take all appropriate steps to manage the potential conflict by maintaining robust systems, controls and staff training. In the unlikely event that we are unable to prevent the potential

conflict, we will fully disclose to you the general nature and/or sources of conflicts of interest and the steps taken to mitigate those risks.

## Liability

Nothing in this Agreement affects, removes, or reduces any obligation we have under the rules of the FCA.

We accept liability for losses, costs, expenses, and liabilities suffered or incurred by you in connection with the provision of the Platform Service to you to the extent that they arise as a result of our negligence, wilful default or fraud. You acknowledge and agree that we will not be liable for any losses suffered or incurred by you other than as set out in these Terms. For the avoidance of doubt, nothing in these Terms is intended to limit or exclude any entitlement or remedy which you have available to you under applicable laws.

We cannot accept liability for any losses, direct or consequential, which you may realise as a result of:

- a. the investment decisions or other instructions given to us by you or you in conjunction with your Financial Advisor;
- b. delays or inaccuracies in the transmission of instructions or other information (or any resulting action or failure to act) where that delay or inaccuracy is a result of factors outside our reasonable control;
- c. an error in a confirmed transaction unless we have been notified of it within 10 days of confirmation;

- d. delays or transactional failures of third parties or delay in payment or transfer of assets to us;
- e. loss of documents whilst in transit to us by any means;
- f. failure, interruption, or delay in the performance of our obligations resulting from the breakdown, failure or malfunction of any telecommunications or computer services;
- g. industrial dispute;
- h. acts of governmental or other similar authorities;
- i. terrorist acts.

## Transfers

Subject to our review and agreement we will permit you to transfer your existing assets “in-specie” onto our platform from another provider. There may be restrictions on the assets you wish to transfer, and we will communicate this to your appointed Financial Advisor before commencement of any transfers. For transfers in relation to an ISA, please see the additional terms and conditions for this product.

## Death of account owner(s)

Please refer to Section 4.1.1. of the Custodian terms in Schedule 3.

## Cancellation

For your cancellation rights please refer to Section 3.1 of the Custodian terms in Schedule 3.

## Complaints

If you wish to make a complaint, please contact us as follows:

- in writing at the address stated at the front of these Terms;
- email us at [complaints@versowm.com](mailto:complaints@versowm.com)
- telephone us on 0151 375 9848

If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service. A detailed description of the Financial Ombudsman Service (including information as to how to make a complaint, eligibility criteria and the procedures involved) is available from the Financial Ombudsman Service, who can be contacted at South Exchange Tower, London E14 9SR or via their website <https://www.financial-ombudsman.org.uk>.

## Protecting Your Personal Information

We take your privacy seriously and will only use your personal information to deliver our services.

Processing of your personal data is necessary for the performance of our contract for services with you and in meeting our obligations to preventing money laundering or terrorist financing. Generally, this is the lawful basis on which we intend to rely for the processing of your data. Our policy is to gather and process only that personal data which is necessary for us to conduct our services appropriately with you and to prevent money laundering or terrorist financing.

We adopt a transparent approach to the processing of your personal data. Sometimes, we may need to pass your personal information

to other organisations. If you apply to take out a financial product or service, we'll need to pass certain personal details to the product or service provider.

We may engage the services of third-party providers of professional services in order to enhance the service we provide to you. These parties may also need to process your personal data in the performance of their contract with us. If you wish to know the names of these third parties, please contact us for further information. Your personal information may be transferred electronically (e.g. by email) and we, or any relevant third party, may contact you in future by what we believe to be the most appropriate means of communication at the time (e.g. telephone/ email /letter etc.).

The organisations to whom we may pass your details also have their own obligations to deal with your personal information appropriately. Sometimes a product or service may be administered from a country outside Europe. If this is the case, the firm must put a contract in place to ensure that your information is adequately protected.

Our privacy notice, available on request, is a separate document which provides more information about the nature of our personal data processing activities and includes details of our retention and deletion policies as well as your rights of access to the personal information that we hold on you.

As part of this agreement, we'll ask you to consent to the transfer of personal information in accordance with the protections outlined above.

Special categories of personal data: there are certain categories of personal data that are

sensitive by nature. The categories include: data revealing racial or ethnic origin, political opinions, religious or philosophical beliefs, trade union membership and data concerning health. Depending on the nature of the products and services that you engage us for we may need to obtain your sensitive personal data particularly in relation to health. Our policy is that should we require any special category of personal data we will only gather this with your explicit consent.

If you are concerned about any aspect of our privacy arrangements, please speak to us.

## Third Party Rights

A person who is not a party shall have no rights to enforce any of this Agreement, even if that person has relied on any such term or has indicated to any party an assent to any such term.

## Entire agreement

These Terms constitutes the entire agreement and understanding between us as parties to these Terms and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations, and understandings between us, whether written or oral, relating to its subject matter.

## Governing law and Jurisdiction

Except for complaints which are covered by FCA Rules, these Terms and any dispute or claim arising out of or in connection with it shall be governed by, and construed in accordance with, the laws of England and each party irrevocably agrees that the courts of England shall have exclusive jurisdiction to settle any such dispute arising from or in connection with these Terms.

## Your Confirmation

By entering these Terms, you understand and agree:

1. to be bound by the Terms set out in this schedule (including the Custodian Terms).
2. that we may provide instructions to the Custodian on your behalf (or someone acting on your behalf under a Power of Attorney or otherwise authorised by you, such as your Financial Advisor) in accordance with these Terms and the Custodian Terms. This includes the provision of information about you in accordance with these Terms and the Custodian Terms.
3. the Custodian is authorised to hold cash and investments on your behalf and can transfer such cash or investments from your Account to meet your settlement or other obligations to the Custodian.
4. that we are authorised to pay any charges or fees to or on behalf of the Custodian as set out in the Custodian Terms, and other third parties as may be agreed by you (such as your Financial Advisor, or a discretionary investment manager if one is appointed).

## Declaration

This is our standard agreement and fee structure upon which we intend to rely. For your own benefit and protection, you should read these Terms carefully before signing them. If you do not understand any point, please ask for further information.

I/We agree that this client Agreement will come into effect from the date of issue.

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Client name(s)

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Client signature(s)

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Date of signature(s)

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## Glossary

This section details the key terms used within this document:

<b>Account</b>	Means an account of an investor client.
<b>Agreement</b>	Means this agreement including any schedules to it.
<b>Assets</b>	Means any property, right, entitlement or interest in your client account.
<b>AuA</b>	Means Assets Under Administration
<b>Custodian</b>	Means the person appointed to safeguard and administer client assets in accordance with these Terms and as set out in schedule 2.
<b>Custodian Terms</b>	Means the Custodian terms and conditions as set out in schedule 2.
<b>Executor</b>	Means the person who administers a person's estate upon their death.
<b>FCA</b>	Means the Financial Conduct Authority, the UK regulatory body responsible for overseeing and regulating financial markets and firms to ensure they operate in a fair and transparent manner.
<b>Financial Advisor</b>	Means the firm you appoint to provide you financial advice.
<b>Financial Ombudsman Service</b>	Means the Financial Ombudsman Service, who can be contacted at South Exchange Tower, London E14 9SR or via their website <a href="https://www.financial-ombudsman.org.uk">https://www.financial-ombudsman.org.uk</a> .
<b>GIA</b>	General Investment Account.
<b>ISA Manager</b>	Means a financial institution authorised by HMRC to administer and manage Individual Savings Accounts (ISAs) under the ISA Regulation.
<b>ISA Regulations</b>	Means the Individual Savings Account Regulations 1998, as amended from time to time.
<b>Model Portfolio</b>	Means any model portfolio we make available via the Platform.
<b>Nominee</b>	Means the legal entity who holds securities on behalf of investors and manages them as a single pool while maintaining records of individual ownership.
<b>Offshore Bond</b>	Means an investment product issued by a life insurance company based in a jurisdiction outside the UK.
<b>Onshore Bond</b>	Means an investment product issued by a life insurance company based in a jurisdiction within the UK.
<b>Personal Pension</b>	Means a retirement savings plan provided by a pension provider.
<b>Platform</b>	Means the technological platform made available to you.
<b>Platform Service(s)</b>	Means our service(s) to you as a platform service provider, including arranging the safeguarding and administration of your assets.
<b>Power of Attorney</b>	Means person(s) as appointed to act on your behalf.
<b>Registered Contact</b>	an Account holder who has parental responsibilities for the purpose of opening a Stocks and Shares JISA
<b>Service(s)</b>	Means any Platform Service(s) we provide to you.
<b>Stocks and Shares ISA</b>	Means Individual Savings Account.

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<b>Stocks and Shares JISA</b>	Means Junior Individual Savings Account.
<b>Terms</b>	Means these terms and conditions.
<b>Verso Wealth Management</b>	Is a trading style of Verso
<b>Verso Wealth Management Group</b>	The group of companies we are part of.
<b>We, us or Verso</b>	Verso Wealth Management Limited.
<b>You / your</b>	Means you, the investor client.

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## Schedule 1: Our Standard Platform Fees

Our standard Platform Fee schedule is set out below: If a different fee is charged, this will be set out in the recommendation letter.

Value From	Up to	% on AuA
1	Up to 499,999	0.22%
500,000	999,999	0.17%
Greater than	1,000,000	0.08%

Platform fees are charged on a tiered basis on the aggregate Assets under Administration (AuA) across all accounts that you have with us.

The 0.22% charge is accrued daily and debited from Available Cash Balance each month. Any rebate associated with larger portfolios (to reflect the tiered basis) will be calculated monthly and credited to the accounts that make up Your Portfolio on a pro rata basis.

Please note that the charge applies on a tiered basis, for example, if you have a portfolio of £0.8m the charge on the first £499,999.99 will be 0.22% per annum and 0.17% on the remainder.

We also offer family grouping. This means that close relatives' accounts can be considered in the tiering calculation for platform fees. Eligible relationships for family grouping are married couples, civil partnerships, co-habiting couples, children, grandchildren, parents, grandparents, and siblings of the primary account holder.

## Schedule 2: The Custodian Terms

Welcome to the terms and conditions of the Nucleus wrap. You should note and understand that this document governs our relationship and together with your signed Declaration forms the legal agreement between us.

This document is important and it is similarly important that you understand its content, even where things become complex. To help you navigate this document, this section explains how the document is structured, details the various components of the Nucleus wrap and points you in the direction of further information you may require.

This document has six sections:

- Introduction
- Definitions
- General conditions
- Operating your account
- Account-specific conditions
- Wrapstore ®

Where we refer to 'you', we mean you as the client (whether an individual, joint account holder, trust or corporate investor) and we assume that all instructions on your behalf will be carried out by your Advisor or a User. Where you do not have an Advisor you will be deemed a 'non-advised' client which means Nucleus will not be able to

offer you full access to the Accounts and Services. The changes for non-advised clients are: 1. Nucleus may require written instructions from you directly in order to process instructions in relation to the Accounts and Services; and 2. Nucleus may decide, at its discretion, not to process an instruction (for example, to not permit a new Account to be opened or not to process an instruction in relation to an investment).

In broad terms the Nucleus wrap allows you to invest and manage your money across a personalised blend of Accounts and Assets. The Assets in each Account are held by a Custodian or Sub-custodian who is responsible for ensuring the safe-keeping of your Assets and, where relevant, compliance with the FCA rules. Some Accounts also have what is known as a provider, responsible for ensuring that the Account meets the necessary regulations. Subject to section 4.5.4, all Assets will be available in the General and General (Gross) accounts. The range of Assets available in each of the other Accounts will vary depending on eligibility for that Asset. Please ask your Advisor if you have any questions regarding Asset eligibility. Table 1 below shows the product provider for each account type.

We perform (where applicable) the following services (the "Services"):

1. Processing all inflows and outflows of money;

2. Accepting and executing investment instructions;
3. Arranging safeguarding and administration of Assets;
4. Safeguarding and administration of Assets;
5. Processing Corporate actions such as income payments, distributions and interest payments;
6. Processing all fees and charges and any charge rebates;
7. Maintaining a record of the value of your Nucleus wrap and the transactions within it;
8. Providing a valuation of your Nucleus wrap and details of all the transactions that have occurred since your previous statement. Client statements are issued quarterly;
9. Providing an annual consolidated tax voucher, detailing the income and distributions for the relevant tax year; and

10. Providing you and your Advisor with online access to your Nucleus wrap.

We will not provide you with investment or tax advice. You must not treat our communications as advice, recommendation or guarantee of any specific future return.

We understand that there may be times when you are considered a vulnerable client due to unforeseen circumstances such as, but not limited to, illness, bereavement or job loss. Nucleus will take reasonable steps to tailor the Services we provide to you taking into consideration your circumstances, if and when they become known to us.

The Nucleus wrap is changing and developing all the time and this means that periodically we need to make changes to this document. We will notify you of any changes in accordance with section 3.15 (Variation) below.

Table 1

Account	General	General (gross)	Isa Junior Isa	Pension	APP account	Onshore bond	Onshore bond (Scottish Friendly)	Offshore bond
Product provider	Nucleus	Nucleus (closed to new business)	Nucleus	Nucleus	Scottish Friendly (closed to new business)	Countrywide Assured plc	Scottish Friendly (closed to new business)	RL360

If there is a conflict or ambiguity between these terms and conditions and any other literature you receive in connection with your Nucleus wrap, these terms and conditions shall take precedence. We work really hard to keep the Nucleus wrap (and this document) as simple as possible but inevitably there are times when legislation or regulation can make things rather complex. If anything about Nucleus, your Nucleus wrap or anything in this document is unclear please ask your Advisor or contact us at [help@nucleusfinancial.com](mailto:help@nucleusfinancial.com).

Similarly, if you have any ideas that might help us improve our communication, improve our service or make things simpler, please call our chief executive Richard Rowney on 0779 202 3948 or email him at [richard.rowney@nucleusfinancial.com](mailto:richard.rowney@nucleusfinancial.com). He would genuinely love to hear from you. Listening intently to our clients helps us constantly improve.

This section details the key definitions used throughout this document, the documents you might receive and the web pages you might visit as a result of opening a Nucleus wrap.

## Section 2 - Definitions

**“Account”** means the accounts available as part of the Services from time to time. Accounts include without limitation the accounts referred to in Table 1.

**“Act of God”** means any kind of happening, occurrence or event that occurs due to natural causes. Such acts include earthquakes, storms, hurricanes and cyclones.

**“Advice Fee”** shall have the meaning given in section 3.9 of these terms and conditions.

**“Advisor”** means any individual employed by or otherwise engaged to give financial advice by an Advisor Firm that is authorised by the FCA (or local regulator if outside the UK) and permitted by Nucleus to use the Website.

**“Advisor Firm”** means any firm authorised by the FCA (or local regulator if outside the UK) and permitted by Nucleus to use the Website and the Services.

**“Agreement”** means the Application and the Services, these terms and conditions and any relevant policy documents relating to your Accounts which constitute a legally binding contract between you and Nucleus.

**“Application”** means the application form(s) including the relevant Declaration.

**“Asset Manager”** means an asset management group authorised by the FCA (or local regulator if outside the UK).

**“Asset”** means cash, funds, Listed Securities, term deposits and any other asset that may be held or traded within your Account using your Nucleus wrap.

**“Available Fund”** means, in relation to a Transfer, a fund in which Units are available for investment via both the Transferring Platform and the Receiving Platform.

**“Business Day”** means any day on which the London Stock Exchange is open for business.

**“Cash”** means the value of unused monies in your Account(s).

**“Cash Balance”** means the Cash balance in relation to each of your Accounts as described in section 4.3.

**“CASS Rules”** means the rules set out in the FCA client asset sourcebook rules as amended from time to time.

**“Contract note”** means the document which details the purchase or sale of certain Assets.

**“Corporate action”** means events that occur periodically and affect Assets. These may change the Assets in terms of ownership, structure and features which may involve different options, charges or returns for investors.

**“Counterparty”** means any bank, Asset Manager, Discretionary Asset Manager, HMRC, stockbroker, or other entity who is party to a transaction on your account.

**“Custodian”** means the person or entity responsible for safekeeping Assets.

**“Declaration”** means the declaration(s) signed as part of your Application.

**“Discounted Unit Class”** means a Unit class in an Available Fund for which the Fund Manager is paid a lower level of charges than would otherwise apply to an investment in Units in the Available Fund.

**“Discretionary Asset Manager”** means any firm authorised by the FCA (or local regulator if outside the UK), permitted by Nucleus to use the Website and authorised by you to manage the Assets in one or more Accounts.

**“DvP”** means Delivery versus Payment where money is temporarily held outside of client money protection as explained in 3.7.

**“FCA”** means the Financial Conduct Authority or any successor UK financial services regulator. The FCA can be contacted via their website <https://www.fca.org.uk/contact>, by telephone on 0800 111 6768 (freephone) or 0300 500 8082 from the UK or in writing at 12 Endeavour Square, London, E20 1JN.

**“Flagged Asset”** means the subset of the Assets that have trading limits, restrictions on when they can be purchased or sold, or any other feature which we choose to highlight on the Website from time to time.

**“Fund Manager”** is the operator of an Available Fund.

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

**“Investments”** means investments into an Available Fund held on an investment platform.

**“Isa Regulations”** means the Individual Savings Account Regulations 1998 as amended from time to time.

**“Joint Account”** means an Account held by you and another person.

**“Listed Securities”** means the subset of the Assets traded via the Nucleus Stockbroker, including equities, gilts, corporate bonds, investment trusts, exchange traded funds and other Assets.

**“Minimum Cash Balance”** means 2% of the value of Assets for each Account.

**“MAR”** means the market abuse regulations as set out in the FCA handbook as amended from time to time.

**“Model Portfolio”** means a template of Assets determined by your Advisor, your Advisor Firm or a Discretionary Asset Manager.

**“Nominee”** means a company (or other entity) created for the purpose of holding Assets as registered owner on behalf of the person entitled to the benefits of ownership of the Asset.

**“Nucleus”** means Nucleus Financial Services Limited, (registered in England and Wales number 05629686 with registered office: Dunn’s House, St Paul’s Road, Salisbury, SP2 7BF, which is authorised and regulated by the FCA (number 456117), and any other group companies or third parties that are engaged by us in the provision of the Services.

**“Nucleus Stockbroker”** means the stockbroker appointed by Nucleus to trade Listed Securities in the name of Nucleus on your behalf. Details of the Nucleus Stockbroker are available on request.

**“Nucleus wrap”** means the Accounts as defined and the Services we provide.

**“Omnibus Account”** means an account maintained by a Custodian or Sub-custodian where the Assets of more than one client can be held together in the name of a Nominee.

**“Primary Holder”** means the name in which the account is opened and for joint accounts, the name specified as being the Primary Holder.

**“Receiving Platform”** means the investment platform that receives Investments from a Transferring Platform on a Transfer.

**“Regulations”** means the relevant legislative, fiscal and regulatory rules governing your Nucleus wrap.

**“Representative”** means someone acting under a power of attorney, someone with responsibility for a minor (under 18), an appointed guardian, court of protection or an executor.

**“Services”** means the Services as defined in the Introduction.

**“Sub-custodian”** means a person or entity appointed by a Custodian to provide safekeeping services for Assets.

**“Transfer”** means a transfer of Investments from a Transferring Platform to a Receiving Platform, in accordance with instructions given by you or on your behalf.

**“Transferring Platform”** means the investment platform that transfers Investments to a Receiving Platform on a Transfer.

**“Unit”** means a unit representing a right to or interest in Investments.

**“Unit Transfer”** means a Transfer of any Investments which is carried out through the re-registration of the ownership of the Units themselves onto the Receiving Platform, without the Fund Manager selling the existing Units to transfer cash to the Receiving Platform (otherwise known as an “in-specie transfer”).



**“User”** means a person authorised by your Advisor Firm to use the Services on your behalf.

**“we”, “our” and “us”** means Nucleus.

**“Website”** means [www.nucleusfinancial.net/wrap/public/](http://www.nucleusfinancial.net/wrap/public/) whether accessed directly or via the website of a User.

**“you” and “your”** means the person or persons who is/are applying for the Services, details of which are set out in the Application, or your Representative.

We rely on the information in your Application in considering, from time to time, your eligibility to open and/or hold a Nucleus wrap and any Accounts open. If at any time we discover that any of this information is incorrect or misleading in any material way, we reserve the right, acting reasonably and in good faith, to refuse to open or terminate your Nucleus wrap, or any of the Account(s) with immediate effect.

You and/or your Advisor are responsible for providing us with clear instructions. Where we receive an instruction that is incomplete or unclear, we reserve the right to take no action while we contact you and/or your Advisor to clarify the instruction.

Where Representatives are required to act together we will only accept written instructions if they are signed by all of the Representatives.

## Section 3 – General Conditions

### 3.1 Your right to cancel

You can change your mind about opening your Nucleus wrap, opening an individual Account or making an investment.

From the date we write to you confirming that we have carried out an instruction for you such as opening an Account or making an investment, you have a period of 30 days to cancel the instruction. If you are a non-advised client, you will have the option to waive your cancellation rights which allow us to invest your money as per your instruction, otherwise we will postpone investment by 30 days.

Should you wish to exercise your right to cancel you should write to Nucleus Client Relations, PO Box 26968, Glasgow G2 9DY quoting your account number N(6 digit number) and informing us that you wish to cancel. Alternatively, you can email [client.relations@nucleusfinancial.com](mailto:client.relations@nucleusfinancial.com) to cancel an instruction.

You should specify whether you wish to cancel an individual Account, your most recent investment or all of your Accounts within the Nucleus wrap. Where you wish to cancel all of the Accounts within your Nucleus wrap please ensure that you include details of each account number in your correspondence with us.

You should note that where you cancel an Account, the amount (if any) which is repaid will depend on a number of circumstances including the market conditions at the time, whether the asset or assets invested in

have initial charges or otherwise. Where the value of the relevant Assets has fallen you may receive less than you invested.

You should also note that if you cancel a Transfer into your Nucleus wrap the Transferring Platform might not be obliged to take the Transfer back although you may be able to transfer to an alternative arrangement.

If you cancel your Account within the time period, we will be unable to refund any trading or product charges. A refund of Advisor charges may be possible direct from your Advisor Firm; entitlement will depend upon the terms and conditions you agreed with your Advisor Firm.

### 3.2 Complaints

If you want to complain about any aspect of the Services, please contact us by writing to our Complaints manager, Nucleus HQ, Level 3, Greenside, 12 Blenheim Place, Edinburgh EH7 5JH, by email to [complaints@nucleusfinancial.com](mailto:complaints@nucleusfinancial.com) or by calling 0131 226 9740, where your complaint will be taken seriously and will be handled in accordance with our internal procedures and the FCA rules governing complaints.

Following receipt of your complaint, we will promptly issue a letter acknowledging your complaint, together with a copy of our complaints procedure.

If your complaint is not handled to your satisfaction you may contact the Financial Ombudsman Services, an independent dispute resolution scheme, by writing to Financial Ombudsman Services, Exchange Tower, London E14 9SR or by calling 0300 123 9123 or 0800 023 4567. More

information is available at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).

Any such action will not affect your statutory rights.

### **3.3 Financial Services Compensation Scheme**

If you make a valid claim against Nucleus or one of our third-party providers and we or our third-party providers are unable to meet our liabilities in full you may be entitled to compensation from the Financial Services Compensation Scheme ('FSCS') or equivalent overseas compensation scheme.

You can get more information at [www.fscs.org.uk](http://www.fscs.org.uk) or by writing to Financial Services Compensation Scheme, PO Box 300, Mitcheldean, GL17 1DY. If you invest in the Offshore Bond, the Isle of Man Depositors Scheme can be reached at <https://www.iomfsa.im/consumer-material/isle-of-man-depositors-compensation-scheme-dcs/>.

Depending on the type of Assets and the type of Account that you hold, there will be limits to the amount of redress available from the FSCS. The client money Nucleus holds for you is protected up to £85,000 per separately UK authorised bank with whom your money is invested.

Investment business is protected up to £85,000 per firm in which your Assets are invested. Assets held in life policies (e.g. onshore and

offshore bonds and APP) are protected for 100% of the value of the policy with no upper limit. For details about the

compensation scheme and the redress limits that apply to individual Accounts and the circumstances that are covered, please see our "A guide to investor protection".

Where you invest in Assets that hold cash or investments outside of the UK your rights may be different from those that would apply

under the laws of England and Wales and you may not be entitled to compensation under the FSCS or any other compensation scheme. For more information please see section 3.7 and consult with your Advisor.

### **3.4 Governing law**

Subject to section 5, these terms and conditions are governed by the laws of England and Wales. Any dispute (whether contractual or non- contractual) arising from, or related to, such terms and conditions shall be subject to the exclusive jurisdiction of the courts of England and Wales.

Where section 5 conflicts with this section 3.4 then the provisions in section 5 shall prevail.

### **3.5 Data protection**

Our privacy notice explains how we use your personal data, your rights under data protection law and what to do if you would like more information about how we use your personal data or would like to make a complaint. Our privacy notice can be found at: [nucleusfinancial.com/terms-and-conditions/privacy-policy/](http://nucleusfinancial.com/terms-and-conditions/privacy-policy/). If we update our privacy notice then we will tell you.

We reserve the right to use the information you have provided to conduct searches using credit reference agencies. This will be for the purpose of validating your identity and any searches we may conduct will appear on your credit reference as an identity check.

You should note that telephone calls may be recorded for training and monitoring purposes.

### 3.6 Online correspondence

We aim to reduce the amount of paper correspondence we send, where possible, and where a 'wet signature' is not required.

Correspondence is available to view when you log in to your account on the Nucleus platform.

### 3.7 Custody and client money

Nucleus is the Custodian of investments in the General account, General account (gross), Isa and Junior Isa and you agree that Nucleus (or anyone that succeeds Nucleus as Custodian) can appoint Sub-custodians. For information about the ownership of investments in the Pension, APP account, Onshore Bond, Onshore Bond (Scottish Friendly) and Offshore Bond (RL360) please see the account specific conditions for the relevant product in section 5. Where Assets are held by a Custodian or Sub-custodian, your Assets may be held in the name of a Nominee in an Omnibus Account. The impact of such an arrangement on your Cash and Assets is explained in section 3.8 (Security of Assets).

Where the CASS Rules apply, Cash and Assets in each relevant Account will be held in an Account under these rules and kept apart from the Custodian's own money. To execute your instructions, we may need to pass your Cash and/or Assets to third parties who are not subject to the CASS Rules or who require your Cash or Assets to be held in the name of a Nominee or the firm's own name. Where this occurs we will maintain oversight of the transaction. When investing in an Asset the Asset Manager or stockbroker may use the DvP exemption for settlement of your transaction so that money may not be held as client money for the period up to the close of business on the business day following receipt of the money. This may also apply to redemptions and you should ask your Advisor for further information on the use of the DvP for specific Assets.

In the event of our (or our Nominee's) insolvency, third parties may exercise a right of retention or sale in their favour over all investments held with them, but this is limited to properly incurred charges and liabilities arising from the provision of custody services, in respect of investments held with them.

If we do not receive any instructions in relation to your Account for a period of six years for Cash or twelve years for Assets, your Account will be treated as dormant. We will write to your last known address to ask for instructions for paying the Cash or returning the Assets to you. After taking reasonable steps to trace you we may cease to treat the Assets or Cash within the Account as being subject to the CASS Rules and make a payment to a registered charity of our choice to the value of the unclaimed

Assets or Cash held. If at any time in the future you contact us and ask for your cash, we will, once we have checked your identity, return it to you.

If the business of Nucleus is transferred to another regulated entity (“Entity”), Nucleus will ensure that this transfer is made subject to the condition that, where the CASS rules apply, the Entity will hold your Cash and Assets in accordance with the CASS rules. Nucleus will exercise all due skill, care and diligence in assessing whether the Entity to whom your Cash and Assets is being transferred will meet the requirements of the CASS Rules. Also in the event of such a transfer taking place you will be notified of the terms under which your Cash and Assets will be held by the Entity, the extent to which they will be protected under a compensation scheme, and you will be given the option to have your Cash and Assets returned to you in the event you do not wish them to be transferred to the Entity.

If Nucleus appoints a Sub-custodian which is not subject to the FSCS protection and the Sub-custodian defaults, you may not be entitled to compensation under the FSCS or any other compensation scheme

### **3.8 Security of Assets**

Where Assets are held in an Omnibus Account, the legal title to such Assets will be in the name of the relevant Nominee together with Assets held for other clients. This means that Assets held for your Account will not be separately identifiable within the Nominee account, only in

Nucleus books and records. In the event of a default in relation to Assets held in an Omnibus Account, you may not receive your

full entitlement if there is any irreconcilable shortfall in investments, and may share with other clients in the shortfall in proportion to your original share. There may also be a delay in receiving your entitlement to such investments. In the event of a default you may be entitled to compensation under the FSCS, please see section 3.3 for more details.

Where you invest in Assets that hold cash or investments outside of the UK your rights may be different from those that would apply

under the laws of England and Wales and you may not be entitled to compensation under the FSCS or any other compensation scheme.

If an overseas Custodian or Sub-custodian becomes insolvent, the consequences will depend upon the applicable law (which may not be the laws of England and Wales) and you bear the risks that may result from this.

In the event of an irreconcilable shortfall in investments held by an overseas Custodian or Sub-custodian or in the event of default by the overseas Custodian or Sub-custodian, you may not receive your full entitlement and may share in the shortfall in proportion to your original share, or on an alternative basis in accordance with the applicable law governing the region of domicile where the investments are held in custody.

Listed Securities will be held as follows:

In an account in the name of a Nucleus Stockbroker's Nominee, such account being controlled by the Nucleus Stockbroker; or

In an account with, and held in the name of, a Sub-custodian held to the Nucleus Stockbroker's order.

In each case referred to in this section 3.8, Assets held within your Account may be held in an Omnibus Account.

Table 2

Charge	Level	How the charges are applied
Nucleus fees		
Nucleus Charge (ad hoc)		You will be informed of the charge prior to it being incurred and following consent to the charge from you or your Advisor the charge will be debited from Cash Balance.
Advisor fees		
Advice Fee (initial)	By agreement between you and your Advisor.	Debited from Cash Balance.
Advice Fee (annual)	By agreement between you and your Advisor.	Accrued daily and debited from Cash Balance each month.
Advice Fee (ad-hoc)	By agreement between you and your Advisor.	Debited from Cash Balance.
Discretionary Asset Manager Fee	Subject to the terms agreed to pay the Discretionary Asset Manager.	Debited from Cash Balance.
Asset charges		
Asset Charge (initial)	Determined by the Asset.	For investments in funds there may be a bid/offer spread or initial charge. You should ask your Advisor for specific details. For investments in all other Assets there will be charges associated with executing transactions (including the Nucleus Stockbroker charges noted below).
Asset Charge (annual)	Determined by the Asset.	For investments in most funds this is typically reflected in the unit price details of which are available from us on request. Where our terms are better than a fund's standard charge, any rebate in the pricing will be based on your daily balance and the cash credited to your relevant Cash Balances once payment has been received by us from the Asset Manager. The frequency of rebates may vary between Asset Manager groups.
Nucleus Stockbroker charge	<p>Listed Securities under £10,000 order value will be charged at £3.50 per order.</p> <p>Listed Securities above £10,000 order value will be charged at 0.035% per order.</p> <p>UK structured products under £10,000 order value will be charged £5.00 per order.</p> <p>UK structured products above £10,000 order value will be charged 0.05% per order (subject to a maximum charge of £150).</p> <p>If more than one client of Nucleus wrap is buying or selling the same Listed Securities at the same time in the same wrapper type, the minimum Stockbroker Charge will be proportionately split between such clients.</p>	Debited from Cash Balance.
Asset Charge (Additional Offshore Bond charges)	<p>The Nucleus Offshore Bond is subject to a £100 initial product charge and an additional annual wrap charge of 0.05% per annum of the value of the Assets.</p> <p>For discounted gift plans an additional underwriting charge of £100 may be charged to which the cost of any doctor's fees incurred will be added.</p>	<p>Debited from Cash Balance on initial investment.</p> <p>Please note that the 0.05% will be accrued daily and debited from Cash Balance each month.</p>

Asset Charge  
(Additional  
Onshore Bond  
charges)

The Nucleus Onshore Bond Account is subject to an additional annual wrap charge of 0.05% per annum of the value of the Assets therein. Debited from Cash Balance.



### 3.9 Fees and charges

Your Nucleus wrap will typically be subject to a minimum of three regular and distinct types of fees and charges: Nucleus fees, fees for the provision of financial advice, as should be agreed between you and your Advisor (“Advice Fee”) and charges for the management of assets (“Asset Charge”).

All fees and charges are described in Table 2. We reserve the right to vary any fee or charge associated with the provision of the Services at any time with 30 days’ written notice. A core principle of the Services is transparency and you should always ensure that you know how much you are paying and how the fees and charges might impact the value of your Account.

Nucleus can facilitate the payment of Advice Fees to your Advisor from your Account on receipt of an instruction from you or your Advisor.

To request us to pay an initial or ongoing Advice Fee to your Advisor, we require to receive your signed instructions (such instructions can be signed electronically). You agree that we may deduct these fees from your Account and pay such fees to the relevant Advisor Firm in accordance with the instructions we receive from you. For ad-hoc Advice Fees we can accept instructions direct from your Advisor or a signed instruction from you. Nucleus will treat such instructions from your Advisor as having been fully authorised by you. When providing us with an instruction to set up, amend or cancel an ad-hoc Advice Fee, your Advisor will be required to confirm to us that the relevant fee has been agreed

with you and you will be sent a notice to your last known address (or email address). If the fees shown on the notice are not what you agreed with your Advisor, you should contact your Advisor as soon as possible. If you would like us to help, you should contact us using the contact details provided in the notice.

Advice Fees should be agreed between you and your Advisor. We are not responsible for setting the amount of these fees. If Nucleus makes an error in facilitating the payment of these fees, please see section 3.11 below which would apply in such an event.

It is market practice for Asset Managers to impose fees and charges for buying and selling units/shares in their funds and/or to impose their own annual management fees and charges. Full details of the fees and charges which apply to Assets available on your Nucleus wrap are available on the Website.

There are also other expenses which Asset Managers may deduct from funds such as registrars’ fees, Trustee/depository charges, audit charges and stamp duty reserve tax. If you require further details, you should obtain these from your Advisor or the relevant Asset Manager.

We will deduct any stamp duty, stockbroker charges, bank charges, audit fees, VAT, or other outgoings that arise in the management of your Nucleus wrap unless otherwise stated in this Agreement. All fees and charges are shown exclusive of VAT and to the extent that it is payable, we will include this tax at the prevailing rate.

Where an Asset Manager applies a charge to transfer Assets into or out of the relevant Nominee, we reserve the right to apply that charge to the appropriate Account. If there are no available funds in your Cash Balance to meet this charge, we reserve the right to invoice you with the applicable charge.

You should also note that Asset Managers may impose a dilution levy to apportion the costs incurred when a need to deal in underlying Assets is triggered by investor purchases or redemptions of fund units/shares. This is to prevent these costs diluting the value of units/shares held by continuing investors. Any application of a dilution levy will be reflected as a charge against the amount invested or divested as applicable.

Where you request specific services additional ad hoc Nucleus Charges may apply. We will inform your Advisor of any such charges before acting on any instruction which will incur such charges. We will not carry out such instructions unless and until you have consented to such charges.

Although all fees and charges will be presented in a transparent and open manner you should contact your Advisor or Nucleus if you think any of the fees and charges you have paid are unclear or incorrect.

We reserve the right to defer the application of any fees and charges or corresponding or related rebates at our reasonable discretion.

In cases where pricing information for a particular Asset is unavailable we reserve

the right to estimate based on reasonable assumptions and the price on which the fees and charges or corresponding or related rebates are based.

### **3.10 Conflicts of interest**

We have a policy to consider any conflicts of interest which may arise, including how we identify and aim to prevent or manage these conflicts. A copy of this policy is available upon request.

In accordance with our gifts and hospitality policy and the FCA's inducement rules, sometimes we run events and/or provide corporate hospitality for our Advisor Firms. These events are generally for educational purposes and/or relationship building. We also support an annual charity partner each year and occasionally donate gifts to third parties who are running charity events. For more information on our gifts and hospitality policy please contact our compliance team.

### **3.11 Limitations of liability**

We do not confirm in these terms and conditions or anywhere else that the Services are compliant with any laws or regulations outside of the UK or that the information or the Services can be legitimately used or accessed outside the UK.

Where you or your Advisor feel that we have failed to carry out an instruction, it is important that you or your Advisor let us know what you believe has gone wrong as soon as reasonably possible. We will investigate any reports that we receive of an instruction not having been carried out

correctly in order to determine the circumstances and consider whether there is cause for us to limit our liability.

When we send you a Contract note, which is a summary of any buy or sell transaction instructed on your Account, a client statement, or a notification of change of fee, it is important that you check these

documents carefully. If you have any queries in relation to any of these documents, please discuss this with your Advisor or contact Nucleus.

We will not be liable for any losses incurred by you due to any advice or instructions given to you by your Advisor or any act or omission of your Advisor or Discretionary Asset Manager.

Any tax concessions are not guaranteed. These can change at any time and the impact of these changes on the value of your Account will depend on your individual circumstances.

Nothing in this Agreement excludes or restricts our duties or obligations under the Regulations. Subject to the Regulations, and to the other provisions of these terms and conditions, we shall only be liable to you for any loss or damage you may suffer as a direct result of any Services we provide to you to the extent that such loss or damage arises as a result of fraud, negligence or willful default by us or any Nominee company controlled by us from time to time or that of our employees.

We shall exercise due care and diligence in providing the Services to you, but, subject to our obligations in these terms and conditions and under applicable law, we

will not accept liability for any losses which occur as a result of us following an instruction which we reasonably believe to be from you or your Advisor.

We make no warranty or representation that the Services can be accessed at all times. We reserve the right to limit the availability of the Services for maintenance and other operational reasons. We will use our reasonable endeavours to ensure that maintenance is performed outside of normal business hours but for emergency maintenance this might not be possible.

Nothing in this Agreement excludes liability for death or personal injury caused by our negligence or the negligence of our employees or agents, or for any other matter which at law we are not entitled to restrict our liability in respect of.

We will use reasonable endeavours to ensure all information provided by us is accurate, current and complies with the relevant UK laws as at the date of issue. Where such information has been prepared by third parties we will not be responsible for this and will indicate where this has been the case.

We will not be liable for any losses incurred by you arising directly or indirectly in connection with the loss of any documentation (including, without limitation, share certificates or other documents of title) in the UK postal system.

We cannot accept responsibility for any loss or delay caused in the submission of an Application or the payment or transfer of Assets to us where the loss or delay is outside our reasonable control.

Should we make an error, we will consider appropriate actions to remedy it. In most circumstances where the loss is less than £10 we will not take corrective action. We will consider factors such as materiality, commerciality, fairness to you and any relevant law or Regulations in assessing which actions to take (if any) following any error we make.

We shall not be liable if we cannot perform our obligations by reason of any cause beyond our reasonable control, including but not limited to any Act of God, fire, act of Government or supranational bodies or authorities or state, war, civil commotion, insurrection, act of terrorism or threat thereof, embargo, industrial dispute, inability to communicate with market makers for whatever reason, unanticipated dealing volumes, failure of any telecommunications, computer dealing or settlement system, prevention from or hindrance in obtaining any energy or other supplies, labour disputes of whatever nature, late or mistaken delivery or payment by any bank or Counterparty or any other reason beyond our control. If an event of this kind occurs, we will take such steps as are reasonable and practicable in the circumstances with a view to minimising the effect of the event on you.

We will not be responsible or liable for any financial consequences which may arise from delays or transactional failures caused by a Counterparty or third-party service provider.

Memo assets are assets that are displayed on but do not form part of your Nucleus wrap and are displayed on the Website for your convenience.

Some of the fund performance and index level data used on the Website, including but not limited to data used to provide reports and statements, is supplied by third parties. The copyright in such data belongs to the supplier of it and the supplier reserves all rights in it. The data is subject to certain intellectual property rights and may only be used for your own use and may not be reproduced or re-disseminated in any form.

While reasonable care has been taken neither Nucleus nor any third party involved in, or related to, the computing or compiling of the data on the Website makes any express or implied warranty, representations or guarantees concerning the data.

Any reliance on the data on the Website shall be made at your own risk and you agree that neither Nucleus nor any third party data provider will be responsible for any damages or losses arising from the use of the data and such data should not be relied upon without appropriate verification.

We do not give financial advice and will not be responsible to you to assess the suitability of your investment or otherwise. We will not perform any assessment or the appropriateness of any investment product for your needs.

### **3.12 You and your Advisor - authority to use the Services**

You confirm that you have appointed the Advisor Firm as your agent in respect of the Services and the Accounts and agree that the Advisor Firm, Advisor or Representative is duly authorised to provide us with

instructions on your behalf, which must be in English. You will only permit your Advisor to provide instructions without your express authorisation where an appropriate discretionary asset management agreement is in place. We will not be responsible for any losses you suffer arising from us acting on instructions received from your Advisor or Discretionary Asset Manager which have been made without your explicit authority or under an agreement in place with a Discretionary Asset Manager.

If you choose to change your Advisor to someone working for a firm that does not have access to the Nucleus wrap, or you decide not to use an Advisor, we will offer you bespoke access to the Accounts and Services. Please contact us for full details of the Accounts and Services that apply if you decide not to use an Advisor.

Please also refer to section 4.7 (other Corporate actions) for information about how corporate action notifications may be affected should you change your Advisor.

If we receive an instruction directly from you we may share this information with your Advisor Firm or ask them to process the instruction on your behalf, unless otherwise instructed by you.

You should be aware of the risks involved when opening and using your Nucleus wrap. The value of your investments, and also the income from them, can go down as well as up and you may not get back what you invested. Further details can be found in the relevant key features and supplementary information documents that are provided to you by your Advisor.

You shall promptly notify us in writing if you choose to terminate an Advisor relationship. We will process your written instruction within 10 Business Days of receipt. Once the instruction is processed, we will pay the outstanding fee and remove the Advisor (and aligned fee) from your Account.

If a change occurs at your Advisor Firm which requires amendments to your Account, we will work with your Advisor Firm to ensure our records on your Account are current and up-to-date. Such changes may include, but are not limited to, a change of Advisor Firm name, regulatory status, or merger.

### **3.13 Eligibility**

There may be legal or regulatory restrictions on the availability of the Nucleus wrap for non-UK nationals, non-UK residents, anyone under 18, and the availability of certain Accounts and Assets depending on your tax residency status. Nucleus reserves the right to refuse to open or retain Accounts for any reason. You will be asked to make declarations in relation to your tax and residential status and age in the Declaration. You must notify us and your Advisor if your status changes after you sign the Declaration.

If your eligibility status changes, such that you are no longer eligible to invest via Nucleus wrap, we reserve the right to ask you to leave the Nucleus wrap once appropriate notice has been given. Nucleus will not be liable for any financial consequences suffered or losses incurred

by you if we ask you to leave the Nucleus wrap due to a change in your status.

Your Advisor is responsible for ensuring your eligibility to invest in any Asset or Account. Upon becoming aware that you are, or have become, ineligible to hold an Asset or Account, Nucleus may be required to, and reserves the right to, sell your Asset to cash. Wherever possible we will provide prior notification to you and/or your Advisor of this action. Nucleus will not be liable for any financial consequences suffered or losses incurred by you if you have to sell down Assets or Nucleus sells down your Assets due to a change in your status.

### 3.14 Outsourcing

There are certain operational parts of the Services which we may delegate to trusted third parties from time to time to achieve greater efficiency and minimise costs. We will make sure any person we delegate to is competent to carry out these functions and responsibilities. We will exercise appropriate oversight where this is the case to ensure that the Services are delivered in accordance with these terms and conditions.

Subject to complying with applicable Regulations in respect of each Account, including the FCA rules and/or HMRC Regulations, we reserve the right to appoint an alternative provider for an Account without seeking client permission. If this right is exercised, we will write to all relevant Account holders and your Advisor no less than 30 days before such change takes place and thereafter we will update all relevant documentation.

### 3.15 Variation

We may amend these terms and conditions from time to time. We will give you at least 30 days' prior written notice of any material change to these terms and conditions except where either: (a) those changes are outside of our control (such as a change in legislation) which may take effect immediately; or (b) those changes are not to your disadvantage, in which case we will inform you within 30 days of the changes having taken effect. We will only make changes for good reason, including but not limited to:

- making terms clearer or more favourable to you;
- reflecting legitimate increases or reductions in the cost of providing the Services to you;
- changing the Services from time to time;
- providing for the introduction of new systems, changes in technology or the addition or removal of products or services;
- rectifying any mistakes that may be discovered in due course; and/or
- reflecting a change in applicable law or regulation.

### 3.16 Notices

Notices regarding your Nucleus wrap and this Agreement, including any changes to these terms and conditions will be sent to you either by post to your postal address or by email to your email address both as stated on your Application or as subsequently notified to us. Notices sent by post will be deemed to have been received

within 2 Business Days of the date of posting or in the case of notices sent by email the notice will be deemed received within 1 Business Day of the date of sending, unless a delivery failure notification is received by Nucleus.

Unless otherwise stated, notices sent from you to us must be either by email or letter using the contact details available on the Website and will be deemed valid once they have been received by us. All notices from us will be in English.

Please note, we are unable to accept some instructions from you by email and may ask you to call us before we progress with your instruction.

This section details the various operational processes which may occur in the management of your Nucleus wrap. You should note that some processes may be unavailable or constrained according to either your personal circumstances or the particular nature of your Nucleus wrap. The legal and regulatory factors impacting your Nucleus wrap are detailed in section 3.

## 4.1 Operating your account

### 4.1.1 Opening your Nucleus wrap

In order to open a Nucleus wrap, the relevant online Application must be completed by you and your Advisor and submitted to us and the Declaration and any forms must be returned to us. Where an Application or any forms are incomplete or unclear, we will use reasonable endeavours to establish the missing information from your Advisor.

Once your Nucleus wrap has been opened you will be sent a welcome letter confirming the details of your Nucleus wrap.

We will class you as a retail client for the purposes of the FCA rules. You have the right to request a professional classification but this may result in a lesser degree of regulatory protection and the loss of the protections and compensations to which a retail client is entitled. You should discuss such a request with your Advisor first.

You must not use the Assets in your Nucleus wrap as security for a loan or for any borrowing purposes.

If you wish to have access to your Account online, this can be done as part of the Application or once your Nucleus wrap has been opened, by contacting your Advisor. Where you are issued with a username and password you should keep your username and password secure and not disclose them to any other person. You should take

all reasonable steps to prevent disclosure of this information and we cannot be responsible for any losses you incur as a result of not doing so. You must tell us as soon as possible if you believe that someone else is aware of your security details.

From time to time we or a Counterparty may require additional identification documentation for legal or regulatory purposes, in particular to meet the requirements under the UK financial crime and money laundering regulations as amended from time to time. We will notify you in writing if this is the case. We may not be able to accept an investment or allow

access to Nucleus wrap Products and Services until this is provided.

#### 4.1.2 Joint Accounts

You may open a Joint Account with us. This Joint Account will only hold the jointly held Assets of both the Account owners.

Where a Joint Account is held, it will carry the right of survivorship which means that in the event that one of the Joint Account holders dies, the Assets automatically pass to the surviving Joint Account holder. In addition, each of the Joint Account holders will be jointly and severally liable to meet the obligations of this Agreement. This means that we can therefore ask either of the Joint Account holders to rectify a breach of this Agreement even if that individual did not personally cause the breach.

In certain circumstances, we will require instructions to be given in writing by both Joint Account holders, for example where there is a change of ownership of the Account from joint to sole ownership. In most other circumstances we will require the signature of the Primary Holder in order to action instructions relating to a joint account. Any correspondence issued in relation to joint accounts will be issued

to the Primary Holder. Your Advisor will give you the choice of who the Primary Holder should be when setting the Account up. If you are the secondary account holder you can request copies of any correspondence by contacting us or your Advisor.

#### 4.1.3 Trustees

If you are a trustee who manages an existing trust, you may open a Nucleus wrap. As part of the application process, all trustees will be required to declare in writing that:

- they have agreed to the opening of an Account(s); and
- the trust deed gives them powers to invest in Assets as offered on the Nucleus wrap.

A certified copy of the trust deed and a list of authorised signatories should be provided to us in writing at Nucleus HQ, Level 3, Greenside, 12 Blenheim Place, Edinburgh, EH7 5JH.

Each trustee must complete the required anti-money laundering forms and provide the evidence and information to enable Nucleus to complete money laundering checks. Trustees must notify Nucleus of each change in trustee as may occur from time to time, and must follow the same process for new trustee relationships.

It is the trustees' responsibility to ensure that the opening of an Account, the entry into this Agreement and any Assets held conform to the requirements of:

- the terms of the trust deed governing the trust;
- the FCA rules; and
- any other UK laws and Regulations.

We do not accept any responsibility or liability for checking that any of the Accounts, or the Services provided under this Agreement are suitable under the terms of the trust.



For all withdrawal instructions and subject to the terms of the trust deed, unless stated otherwise, we will require at least two trustees, or the required number as determined by the trust deed, to sign as evidence that all trustees have agreed to the transaction. Please note, withdrawal instructions for the offshore bond provided by RL360 are set out in their terms and conditions which are available electronically on the Nucleus document store.

## 4.2 Making a contribution

You should have at least £50,000 available for investment in the years prior to and during retirement to open a Nucleus wrap. You should also have a medium to long-term investment time horizon and a willingness to accept a level of market risk to attain potential investment return (the actual level of risk you are prepared to take will be based on your own individual factors).

We will endeavour to facilitate such Transfers, but you should note that we are bound by applicable law and Regulations and will be reliant on the Transferring Platform in order to do so, and therefore we do not accept any responsibility or liability in relation to either the time it takes to transfer Assets, or any changes to the value calculated by the Transferring Platform during this period.

If an Asset to be transferred cannot be supported within your Nucleus wrap we reserve the right to decline the Transfer.

Please refer to section 4.2.3 (on Asset transfers for more detail on Asset transfers.

### 4.2.1 Contributions

Generally, you can make cash contributions into your Account and transfer in from other providers. This is dependent on which type of Account you wish to contribute to and therefore please refer to the appropriate section for more information.

#### 4.2.1 Cash contributions

You can make cash contributions into your Account by an electronic transfer or by cheque. Your Advisor will be able to assist with any payment type you wish to make.

If a currency other than pound sterling is transferred electronically or sent by cheque then Nucleus' bank will convert the currency into

Pound Sterling at that bank's prevailing exchange rate and may also charge a fee for that conversion. Nucleus accepts no responsibility for any charges incurred in these circumstances or for the exchange rate applied by the bank.

#### 4.2.3 Asset transfers

If you ask us to Transfer any of your Investments to your Nucleus wrap from a Transferring Platform or from your Nucleus wrap to a Receiving Platform, you may choose for the Transfer to be carried out by way of a Unit Transfer, provided there are no circumstances outside of our control, or the control of the Transferring Platform or Receiving Platform (as the case may be), which would prevent a Unit Transfer.

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

if we are the Transferring Platform, to request the Fund Manager of each such Investment (to the extent we are entitled to do so) to carry out any conversion of the relevant Units to a Unit class that is available on the Receiving Platform, and to take any other reasonable steps to bring about that conversion; or

if we are the Receiving Platform, to instruct the Transferring Platform to request the Fund Manager of each such Investment (to the extent the Transferring Platform is entitled to do so) to carry out any conversion of the relevant Units to a Unit class that is available on the Nucleus platform, and to take any other reasonable steps to bring about that conversion, in each case, as required to enable a Unit Transfer of any such Investments.

Where we receive an instruction from you, or given on your behalf, to convert Units in your Investments into Units of a Discounted Unit Class as part of a Unit Transfer of any Investments, we are entitled to treat that instruction as expressly providing us with your authority:

if we are the Transferring Platform, to engage with Fund Managers and the Receiving Platform in order to identify the relevant Units and provide the Receiving Platform with a list of available conversions (one of which must be the common share class and indicated as such) for the Receiving Platform to choose from and to take any other reasonable steps to bring about the conversion; or

if we are the Receiving Platform, to select a conversion option from the list of available conversions provided by the Transferring

Platform and to take any other reasonable steps to bring about that conversion.

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

- by your Advisor
- if we are the Transferring Platform, by the Receiving Platform
- if we are the Receiving Platform, by the Transferring Platform, unless, in any of these cases, we reasonably believe that person or entity does not have authority to provide the instruction on your behalf.

Following a Transfer and where we are the Receiving Platform, if we receive an income payment, dividend or other cash amount from the Transferring Platform, we will credit this to your relevant Account and hold it pending your Advisor's instructions.

If a Fund Manager allows a Unit Transfer, they may make additional charges which we (or the relevant Account provider) will deduct from your Account.

A Unit Transfer between an unhedged share class and a hedged share class may be deemed a disposal and subject to capital gains tax. Please contact your Advisor for more information.

#### 4.2.4 Intra-account transfers

You may be able to make intra-account transfers between your Nucleus Accounts depending on the terms and conditions and applicable Regulations for the relevant Accounts.

You may also be able to transfer Assets to an Account which someone else holds on

the Nucleus wrap depending on the terms and conditions and applicable Regulations for the relevant Accounts. Your Advisor will be able to assist you in identifying what transfers are allowed.

We can process these transfers on receipt of a signed instruction from you or, in certain circumstances, your adviser.

### 4.3 Cash

Your Nucleus wrap allows you to hold Cash, either to meet fees or as an investment. The Cash Balance will be debited with payments and credited with receipts pending further instruction.

Each Account opened is required to maintain the Minimum Cash Balance which is used to help manage and meet charges. This section does not apply to other cash Assets that your Advisor may invest in through the Nucleus wrap. You must maintain the Minimum Cash Balance in each Account in Cash at all times. Should this limit be breached, your Advisor may contact you to discuss whether you wish to deposit further Cash (where the Regulations permit) or sell other Assets in the Account to restore the Minimum Cash Balance.

On a monthly basis, we may review the Cash Balance in your Account. If the Cash Balance in an Account falls below the Minimum Cash Balance we reserve the right to sell Assets in the Account to restore the Cash Balance to the Minimum Cash Balance, for the month. Unless you have told us which Assets should be prioritised for such a sale, we will sell Assets at our discretion. The Assets sold will typically exclude non-daily traded assets and those

with a minimum sell trade value, however any Asset may be sold at our discretion. Please be aware that any sales could result in a tax charge.

If the bank that is holding your money becomes insolvent, we will attempt to recover your money on your behalf. However, if the bank cannot repay all its creditors, any shortfall may have to be shared proportionally between all its creditors, including you and other clients of the relevant bank and of Nucleus. Please refer to section 3.3 for further information regarding the FSCS or speak to your Advisor. In this situation, you may be eligible to claim under the FSCS.

We will deposit your Cash with one or more banks. Interest received on Cash Balances will be allocated to your Account(s) in accordance with the Nucleus cash interest policy (as amended from time to time) available on the Website. The interest will be calculated daily and applied quarterly either net or gross according to the tax rules of the Account in which the Cash is being held. The applicable interest rate may be zero or negative. Please note that timing differences, and/or the deduction of any applicable bank charges, could also impact the amount you receive in your Account(s). For the avoidance of doubt, interest which accrues on client money accounts will not be treated as client money until it is applied each quarter.

To obtain better interest rates we may diversify Cash holdings into a combination of instant access, notice and unbreakable term deposit accounts. Money may be placed in accounts with notice periods or

unbreakable terms of up to 95 days, in accordance with the CASS Rules.

Placing your money in notice or term deposit accounts does not affect your ability to deal with or withdraw funds from your Nucleus Accounts. However, in the event of our insolvency or the insolvency or default of one of the banks or other deposit takers with whom your money is held, some amounts may not be immediately available.

Although liquidity is monitored daily, making use of these notice deposit accounts may (in extreme circumstances) result in a shortage of available Cash resulting in transactions being delayed.

#### **4.4 Opening new accounts**

If you want to open additional Accounts, you and your Advisor will be required to complete another Application. Any additional Accounts will be linked to your existing Nucleus wrap and you will be able to access all of the information from the Website.

#### **4.5 Buying and selling Assets**

Once you have opened an Account, and subject to the restriction in section 4.1.1, we will use reasonable endeavours to ensure that any investment instructions submitted with your Application are actioned by us within 1 Business Day provided that we have received all necessary documentation.

Where an instruction to trade has been received against uncleared funds, we may at our discretion allow the trade to proceed on the basis that the funds will clear on or

after the date when your trade will settle. In practice this is based on an expected 4 day cheque clearing cycle.

In the event that your direct debit fails, or a cheque is not honoured by your bank, and your funds have been invested or are subject of a pending investment trade we will request that you send replacement funds within 5 Business Days. If we do not receive replacement funds we reserve the right to sell any Assets in the Account in accordance with the process for selling Assets outlined in 4.3 and you will be liable for any shortfall in the proceeds received. Where the funds have not been invested we will cancel your subscription. If you subsequently make a subscription with new funds, then the date of the subscription will be the date when we receive the new funds.

You are responsible for ensuring that sufficient cleared funds are available in the relevant Cash Balance on the relevant instruction date to pay for the relevant Assets. Similarly, with the exception of a switch or rebalance transaction (see below) the proceeds from sale transactions will not be available for withdrawal or reinvestment until the settlement proceeds from the sale of the relevant Assets have been applied to your Cash Balance.

We will generally aggregate deals to ensure that all deals can be dealt with and allocated by us fairly and in due turn. Aggregation enables us to obtain the best overall result for our clients with regard to dealing costs.

For most Assets, there are trading cut-off times. Instructions received later than the

relevant cut-off time will normally be placed the following Business Day on which that Asset is traded.

A switch instruction occurs when the proceeds of one or more sell instructions are used to fund one or more buy instructions. In general, the buy instruction(s) will be placed as soon as the sell instruction(s) have been confirmed otherwise the buy instruction will be triggered on the settlement of all sell transactions.

As a result, there may be instances where you have partially divested and could be exposed to potentially adverse market movements prior to the buy instructions being executed.

If for any reason a trade fails to settle, we reserve the right to unwind the buy trades which rely on the proceeds of the trade that failed to settle. If you have withdrawn any proceeds of the trade from your account, we will request that you send replacement funds within 5 Business Days. If we do not receive replacement funds we reserve the right to sell any Assets in the Account in accordance with the process for selling Assets outlined in 4.5 and you will be liable for any shortfall in the proceeds received. This right will apply even where the outcome of any such trades have already been reflected in your Account.

We will use reasonable endeavours to ensure that transactions are confirmed and settled promptly but please see section 3.11.

Should you change your mind regarding an instruction that has not yet been executed we will use reasonable endeavours to cancel the instruction, although we will not

be liable if the original instruction progresses to execution.

In addition, should an Asset become unavailable at any time (for example because it cannot be supported operationally or for legal or regulatory reasons) we reserve the right to cancel any pending buy transactions in that Asset and to sell any of your holdings in that Asset.

We will endeavour to inform your Advisor as soon as possible. We shall not be responsible for any financial loss or tax or other charge that may arise as a result unless arising from our negligence, willful default or fraud.

Where an instruction is received in respect of an Asset that is suspended, the transaction request may be rejected. Where an Asset is suspended following the transaction being submitted on your behalf and the instruction is not completed, the transaction will remain outstanding until such time as the suspension is lifted.

Upon becoming aware that you are invested in an Asset that you are, or have become, ineligible to hold under law or regulation, Nucleus may be required to, and reserves the right to, sell the relevant Asset to cash. Wherever possible we will provide prior notification to you and/ or your Advisor of this action. Nucleus will not be liable for any financial consequences suffered or losses incurred by you if you have to sell down Assets or Nucleus sells down your Assets, due to you being ineligible to hold an Asset.

#### **4.5.1 Order Execution Policy**

When executing your instructions to buy or sell Assets, we will follow our Order Execution Policy (available in full on our website).

When executing a trade instruction in respect of Listed Securities on your behalf, the Nucleus Stockbroker will exercise discretion in assessing the criteria that needs to be taken into account to provide you with the best outcome. The relative importance of these criteria will be judged on an order by order basis, in line with commercial experience and current market conditions, with precedence given to the ability to deliver the best outcome in terms of value to you. Further details of the process undertaken by the Nucleus Stockbroker are set out in our Order Execution Policy (available in full on our website).

Your agreement to these terms and condition means you acknowledge the terms of our Order Execution Policy and accept its terms (as amended from time to time and available for review on our website at

<https://nucleusfinancial.com/responsible-business>).

#### 4.5.2 Contract notes

Contract notes are available to view online but can be sent to your correspondence address upon request.

#### 4.5.3 Valuations

We will value your Nucleus wrap on every Business Day, and Asset valuations are available via the Website. For Assets that trade or are valued less frequently than

daily, the most recent available price will be used for valuations. However, this may not be the actual price received when an instruction to buy or sell an Asset is processed. For certain unusual or complex Assets, for example structured products, the nominal price may be used to value and the Asset may be valued at less frequent intervals.

#### 4.5.4 Available assets

We reserve the right not to accept an Asset requested at any time if we are unable to support that particular Asset operationally or for legal or regulatory reasons.

#### 4.5.5 Flagged assets

Nucleus uses a Flagged Asset Indicator to draw your or your Advisor's attention to specific operational, legal or regulatory information that may affect any Asset selection decision. We will use reasonable endeavours to ensure that this information is accurate and updated regularly. We do not accept any liability for failing to flag any particular asset as it is your Advisor's responsibility to understand the Assets and assess suitability for you.

#### 4.5.6 Minimum Deal Size

Where an aggregated order is for less than the minimum deal size the instruction or order will not be executed until such time as the aggregated order is for more than the minimum deal size. We will not be liable for any loss experienced as a result of the application of this order unless arising from our negligence, willful default or fraud.

Nucleus have set a minimum deal size for Listed Securities of £20 for each Account

with the minimum aggregate deal size for each Nominee being £100. Certain listed securities and other Assets may have Asset specific minimum deal size which is outside of Nucleus' control. For further details, contact your Advisor.

#### 4.5.7 Refusal or deferral of trading instructions

We reserve the right to refuse or defer any trading instruction at any time where we reasonably consider such refusal or deferral is appropriate for operational, legal or regulatory reasons. We will endeavour to inform your Advisor as soon as possible. We shall not be responsible for any financial loss or tax or other charge that may arise as a result unless arising from our negligence, willful default or fraud.

#### 4.5.8 Market abuse

You agree that you will not use the Nucleus wrap to deliberately, recklessly or negligently by act or omission engage in market abuse or insider dealing (within the definition and requirements of the Market

Abuse Regulations (MAR) Regulation (EU) No. 596/2014 and the Market Abuse (MAR) FCA handbook) or require or encourage another person to do so.

If you are a director of a listed company or a senior executive or employee of a listed company, you must comply with the dealing policy in respect of that listed company.

## 4.6 Distributions and dividends

We will apply distributions and dividends we receive on your behalf to your Nucleus wrap as these are received. We will deduct tax from any such payments when required to do so. If you require more information on the tax treatment of such payments, you should contact your Advisor.

When we receive any distribution or dividend, we will dis-aggregate them according to underlying client ownership, even where fractions of units are held. Where distributions or dividends cannot be dis-aggregated due to amounts being less than 1p Nucleus will keep a record of such amounts and pay these to a charity of our choice on a periodic basis. Such amounts to be paid may be held outside of client money protection from the point of the distribution until such a payment to charity can be made.

## 4.7 Other Corporate actions

In relation to Corporate actions our general policy in respect of any bonus and scrip issues is as follows:

All bonus issues will automatically be credited to your Nucleus wrap.

In the case of a scrip dividend the default option is to elect to take any cash alternative and we will not be responsible for informing you that any scrip alternative exists.

In other circumstances, we will use reasonable endeavours to inform your Advisor of any Corporate actions relevant to the Asset as soon as reasonably possible after we become aware of the Corporate action.

If you decide not to use an Advisor, you will not receive any notification of corporate actions on the invested Assets. Where there is an election opportunity, if you do not have an Advisor, you will receive the default election as defined in the event notification.

We will not normally exercise any voting rights attaching to any of the Assets you hold in your Nucleus wrap nor attend any shareholder or unit holder meetings in respect of the Assets held. There may be occasions, such as actions to be undertaken on a distressed Asset, where we will communicate via a proxy vote and following collation of responses, vote accordingly.

We do not receive any incidental benefits which may attach to any investments in your Nucleus wrap therefore we do not receive any such incidental benefits to pass on to you.

If you would like us to consider any specific requirements or action in relation to the treatment of Corporate actions for any of your Accounts, or if you would like to receive a copy of the annual report and accounts or any other information issued to shareholders or unit trusts, please let us know. If we choose, at our sole discretion, to agree to such requests, we reserve the right to levy a charge commensurate with the costs and expenses incurred in meeting your requirements. See section 3.9 for further information regarding fees and charges, in particular ad hoc charges.

Where overseas Custodians inform Nucleus or the Nucleus Stockbroker of the existence of a Corporate action affecting your Assets, we will use reasonable endeavours to relay

this to you whenever practicable to do so and where appropriate, inform the Nucleus Stockbroker to advise the overseas Custodian of the election by you.

If we receive notice of a Corporate action from an overseas Custodian in time for us to process the information and give you or your Advisor an opportunity to instruct us, then we will do so but you should be aware that we may not receive notification of rights attaching to overseas investments or there may be a delay in notification to us.

In such circumstances we may not be able to inform you and we may not be able to carry out any instructions in time.

We will not send you copies of reports and accounts, scheme particulars or details of Corporate actions unless you have specifically requested to receive these in writing. You and your Advisor may also inspect such records via the Website. Alternatively, you may ask for these to be sent to you at any time. However, we reserve the right to make a charge for any such requests. Please refer to section 3.9 for further information regarding fees and charges, in particular ad hoc charges.

With respect to Listed Securities, when your Listed Securities are pooled you may receive more or less favourable treatment or options when there is a Corporate action or other event as you would if the investment were held in a separately designated Account with a Nominee or Custodian, in a CREST Personal Member's Account, or in certificated form. For example, following an allocation or share issue that favours the small investor, your allocation in the pooled account may be



less than it otherwise would have been if the Listed Securities had been registered in your name.

It is the responsibility of you and/or your Advisor to understand and address any voluntary aspects relating to any Corporate actions communicated to you by us relating to Assets held in your Nucleus wrap. We will not be responsible or liable for any financial consequences or delays without limitation, for any failure to respond within the required time frames from you, your Advisor or Discretionary Asset Manager.

## 4.8 Annual Management Charge (AMC) rebates

Some Asset Managers price their funds such that you are overcharged in the fund pricing. In these circumstances you will receive a unit rebate equal in value to the overcharge less any tax deducted at the prevailing basic rate in accordance with HMRC rules.

We will apply these unit rebates to the relevant Account as soon as reasonably possible once we receive them. The requirement for Nucleus to deduct basic rate tax on AMC rebates only applies to the Nucleus General account.

## 4.9 Model Portfolios

### 4.9.1 Adding/editing a Model Portfolio

Model Portfolios may be created and edited on the Nucleus wrap by your Advisor or an appointed Discretionary Asset Manager. These can be linked to your Account and your Assets are managed in accordance with the Model Portfolio. For more

information on Model Portfolios please speak to your Advisor.

### 4.9.2 Rebalancing a Model Portfolio

When you invest on the basis of a Model Portfolio, the Model Portfolio will record the investments you have selected in their set proportions. Over time, as a result of varying investment performance, the proportions of actual investments held will cease to reflect those proportions preselected in your Model Portfolio. Your Advisor may instruct us to rebalance investments in line with your Model Portfolio. This will generally result in a series of trades and you should note the terms and conditions that apply to switch transactions in section 4.5. We are not responsible for maintaining your Account in order to reflect your Model Portfolio. You should speak to your Advisor should you have any questions regarding maintenance of your Nucleus wrap in accordance with your Model Portfolio.

You should note that rebalancing may be delayed if there are transactions in progress on your Account.

## 4.10 Making a withdrawal

Subject to the Regulations applicable to each Account and to section 4.3, you can arrange to make one-off or regular withdrawals of available Cash from an Account at any time. You should note that you cannot generally withdraw cash from your Nucleus Pension account or the Nucleus APP Account until you reach minimum regulatory retirement age in the UK (for further information please contact your Advisor). All withdrawals/payments will

be made by direct credit to a UK bank account registered to your Nucleus wrap. We cannot support payments to a non-UK bank account.

#### 4.10.1 Regular withdrawals

Regular withdrawals may be made monthly, quarterly, half yearly or annually and all payments will be made by direct credit to a bank account registered to your Nucleus wrap. You should note that where a withdrawal is specified to be made on a day that is not a Business Day, the withdrawal will be made on the Business Day preceding the specified withdrawal date.

The bank account registered to your Nucleus wrap should be in your name and Nucleus reserves the right not to support payment to a bank account not in your name.

Depending on the Regulations and the provisions of this Agreement applying to each Account, certain withdrawals may be subject to tax or other statutory charges before or after payment. Where appropriate we will be responsible for deducting such payments in accordance with HMRC notifications and remitting them to the appropriate authority.

All withdrawals are subject to the availability of cleared funds and the rules associated with the Minimum Cash Balance described in section 4.3 and a lack of available cleared funds may mean that payments are not made. We will not be responsible for any financial consequences, loss or damages that may arise from the lack of availability of cleared funds in such circumstances.

Payments from the Nucleus wrap will only be made direct to, or in the name of you. Payments from your Account will not be paid to a third party, i.e. an account not registered to your Nucleus wrap. Please refer to section 4.2.4 for intra-account transfers.

Please note we cannot accept payment instructions to certain building societies.

#### 4.10.2 Ad hoc withdrawals

You can also request an ad hoc withdrawal at any time, although please see section 5 because there are some restrictions depending on the type of Account and the tax implications will vary.

#### 4.10.3 Prefunding withdrawals

At our discretion we may in extraordinary circumstances, such as delays in settling transactions, be willing to prefund withdrawals from your Account. Where we do so you agree that we shall have the right to debit your Account in order to recover those funds without giving you notice.

### 4.11 Death

When the death certificate is received by us, Assets will remain invested until instructions are received from your Representative(s) (subject to the requirements of the Account-specific conditions for the relevant Account). We shall cease any pending direct debits and withdrawals (although in progress direct debits and withdrawals may be completed). We will continue to deduct charges while the Assets remain in your Account.

Upon receipt of the death certificate, the grant of probate and/or other appropriate legal confirmation of the appointment of your Representative(s), we shall transfer any Cash balance or remaining Assets on the instructions of your Representative(s) (subject to the requirements of the relevant Account-specific conditions).

Upon the death of either Joint Account holder, the surviving joint owner will be the only person to have right to the Assets held in the Joint Account.

These terms and conditions will be binding on your Representatives. In the case of the Nucleus Pension account or Nucleus APP account, the relevant trustee will have absolute discretion as to the beneficiaries and the proportions paid to any beneficiaries of any lump sum death benefits, although the relevant trustee will pay due consideration to your expression of wishes, which you may change at any time.

You may also inform us by indicating on the expression of wishes form if you wish all Assets in your Nucleus Pension accounts to be sold on death.

## 4.12 Closing your Nucleus wrap

You may choose to close your Nucleus wrap or any of the Accounts within your Nucleus wrap by instructing us in writing or via your Advisor. You should note that, depending on the nature of your Account and the terms of the Agreement applicable to it, you may be able to receive some or all of the proceeds in cash or may need to transfer the proceeds to an alternative arrangement.

Where you are transferring to an alternative arrangement, the provider of the new arrangement must request a cash or an Asset transfer.

Subject to the applicable Regulations we will instruct the transfer as soon as possible.

You should note that depending on the Account, closing your Nucleus wrap or a particular Account might result in tax charges or crystallisation of a tax liability.

Once an Account has been closed, any residual proceeds, interest, dividends or other income will be paid to the same account as advised in your closure instructions after deduction of any outstanding fees, or other amounts due under this Agreement. Once an Account has been closed, we reserve the right not to return payments of below £5 in aggregate and will forward any such amounts to a charity selected by us. Any money due is aggregated and paid quarterly to you but until that point the money is protected in line with CASS Rules, if applicable. Money falling below the £5 minimum value will be removed from the client pool to our corporate pool quarterly and paid onward to charity in an appropriate timeline agreed between ourselves and the charity. This does not affect your statutory rights to claim it back.

Should the value of your Nucleus wrap fall below £1,000 we reserve the right to close your Nucleus wrap and return any monies to you or require you to transfer your investments to another provider with a minimum of 90 days' written notice.

We do everything we can to keep things consistent across different types of Accounts but there are certain features that are different across Accounts. These can include the amounts you can invest, the amounts you can withdraw, the tax treatment, the Assets in which you might invest or the governing regulation. Section 5 details where the accounts that can make up your Nucleus wrap might differ.

The terms of section 5.1 apply to you if you hold a Nucleus General account and should be read in conjunction with the main terms and conditions.

## 5.1 General account

### 5.1.1 Contributions

There are no limits on the contributions which you can make and you can make a one-off contribution or multiple contributions.

### 5.1.2 Withdrawals

There are no limits on the withdrawals which you can make but please see below in relation to taxation and to section 4.12.

### 5.1.3 Taxation

The taxation of Assets and income will vary depending on your individual circumstances. All bank and interest distributions paid into the Nucleus General account are paid gross without having income tax deducted at source. It is your responsibility to ensure that you are in the right Account for your personal circumstances, and you should discuss this with your Advisor.

### 5.1.4 Asset choice

There are no limits on the types of Assets available but please see section 4.5.3.

### 5.1.5 Provider

The General account is provided by Nucleus Financial Services Limited.

### 5.1.6 Governing Law and Jurisdiction

These terms and conditions specific to the Nucleus General account, and any non-contractual obligations arising out of or in connection with these terms and conditions specific to the Nucleus General account, shall be governed by and construed in accordance with the laws of England and Wales.

Any dispute (whether contractual or non-contractual) arising from, or related to, terms and conditions specific to the Nucleus General account shall be subject to the exclusive jurisdiction of the English and Welsh courts.

The terms of this section 5.2 apply to you if you hold a Nucleus General (gross) account and should be read in conjunction with the main terms and conditions.

## 5.2 General account (gross)

The General account (gross) is now closed to new business.

### 5.2.1 Contributions

There are no limits on the contributions which you can make, and you can make a one-off contribution or multiple contributions.

## 5.2.2 Withdrawals

There are no limits on the withdrawals which you can make but please see below information on taxation.

## 5.2.3 Taxation

The general (gross) account allows eligible individuals to receive interest and income received from Assets within the account without having tax deducted at source (gross).

## 5.2.4 Asset choice

While there are no limits on the types of Assets available, we reserve the right to refuse to add or support an Asset as stated in section 4.5.3 on buying and selling Assets.

## 5.2.5 Provider

The General (gross) account is provided by Nucleus Financial Services Limited.

## 5.2.6 Governing Law and Jurisdiction

These terms and conditions specific to the General (gross) account, and any non-contractual obligations arising out of or in connection with these terms and conditions specific to the Nucleus General (gross) account, shall be governed by and construed in accordance with the laws of England and Wales.

Any dispute (whether contractual or non-contractual) arising from, or related to, terms and conditions specific to the Nucleus General (gross) account shall be subject to the exclusive jurisdiction of the English and Welsh courts.

# 5.3 Isa accounts

The terms of section 5.3 apply to you if you hold a Nucleus Isa account and should be read in conjunction with the main terms and conditions.

## 5.3.1 Contributions

The process for subscribing to a Nucleus Isa account is set out in the Nucleus Isa account key features and you should note that your

Nucleus Isa account will not start until your first subscription or transfer amount is received by us.

## 5.3.2 Cash contributions

You can choose to make a lump sum or a regular contribution to your Nucleus Isa. The Nucleus Isa offers the flexibility to withdraw and replace Isa monies within the same tax year without it counting towards the annual contribution limit. You should be aware that there are restrictions which govern the amount that you can contribute to an Isa in each tax year. For more information, please contact your Advisor.

## 5.3.3 Transfers in

You can transfer in Isas or other eligible products (for example child trust funds) from other Isa managers or other providers.

## 5.3.4 Withdrawals and transfers out

You can choose to make regular or ad-hoc withdrawals from all or part of the investments held in the relevant Nucleus Isa account and proceeds arising from those investments, or to transfer your Nucleus Isa account to another Isa manager, if permitted.

The Nucleus Isa account is a flexible Isa which allows you to replace, in whole or in part, cash you have withdrawn, without the replacement counting towards your annual contribution limit. Flexibility can be offered in respect of cash only.

Any transfers will be processed in accordance with the Isa Regulations relating to transfers. Transfers can be dealt with on a cash or in-specie (re-registration of Assets) basis but will ultimately be determined by the new plan manager's terms and conditions.

If you transfer your Nucleus Isa account to another Isa manager and income is subsequently received by us on your behalf, we will send this income to an account stipulated by your new Isa manager, subject to the amount being above the minimum amount as stipulated by your new Isa manager. Some Isa managers stipulate minimum transfer values. If the amount is below the minimum amount stipulated by

your new Isa manager we will send the income directly to either your nominated bank account or your Nucleus General account, at our discretion.

### 5.3.5 Taxation

In the Nucleus Isa account, all monies that you invest (including any transfers-in of cash and other Assets for different tax years) shall be administered as one amount. For further information regarding tax years please speak to your Advisor.

Investments held in the Nucleus Isa account are not usually subject to income or capital gains tax.

We will provide HMRC with such information about you and your Nucleus Isa account as we are required to provide under the prevailing Isa Regulations and all other applicable Regulations.

If we have passed any tax to you that you are not entitled to, we reserve the right to deduct an amount equal to the overpayment from your Nucleus Isa and repay this to HMRC.

We will not attempt to recover any tax levied outside the UK.

### 5.3.6 Asset choice

The Nucleus Isa Account may only invest in Assets which are available on the Nucleus wrap and meet the requirements of HMRC under the Isa Regulations.

Should any Assets you hold in your Nucleus Isa Account become ineligible under HMRC requirements and/or Isa Regulations, Nucleus shall have the right to transfer such Assets to your Nucleus General account.

You are, and at all times will remain, the beneficial owner of the Assets held in your Isa account. Investments made by you will be held on your behalf, in accordance with the main terms and conditions.

### 5.3.7 Provider

The Nucleus Isa account is provided by Nucleus Financial Services Limited.

The Nucleus Isa account will be, and must remain in, the beneficial ownership of the client.

### 5.3.8 Voiding

“Voiding” in the context of these terms and conditions means where all income in respect of an invalid subscription to an Isa is to be taxed and all the invalid subscription and the (taxed) income has to be removed from the Isa.

Your Isa account will be managed in accordance with “Isa Regulations”, which will take precedence over this Agreement in the event of a conflict. We will notify you if, as a result of any failure to comply with the Isa Regulations or any other Regulations, your Account is or becomes Void.

As soon as we become aware that your Nucleus Isa account has or will become Void we will notify you, and on your instructions we will:

- transfer your Nucleus Isa account to another Isa manager; or
- transfer the relevant portion of the Assets held within your Nucleus Isa account to your Nucleus General account; or
- sell the relevant portion of Assets held within your Nucleus Isa account and pay the proceeds, together with any Cash balance held in your Nucleus Isa account, directly to you.

Before we carry out any such instruction, we may deduct from any Cash available (including the proceeds from the sale of Assets) such amount necessary to cover any fees or other amounts due to us, any tax liability that has to be paid or repaid as well as any additional expenses incurred in terminating your Account.

For more information on the reasons an Isa might become Void please speak with your Advisor.

### 5.3.9 Governing Law and Jurisdiction

These terms and conditions are specific to the Nucleus Isa account, and any non-contractual obligations arising out of or in connection with these terms and conditions specific to the Nucleus Isa account, shall be governed by and construed in accordance with the laws of England and Wales.

Any dispute (whether contractual or non-contractual) arising from, or related to, terms and conditions specific to the Nucleus Isa account shall be subject to the exclusive jurisdiction of the English and Welsh courts.

## 5.4 Nucleus Pension account

The terms of section 5.4 apply to you if you hold a Nucleus Pension account and should be read in conjunction with the main terms and conditions and form part of the legal agreement in respect of which the Nucleus Pension account is provided.

### 5.4.1 Contributions

Subject to applicable Regulations, contributions can be made by you, your employer or a third party on your behalf.

There is no maximum investment however contributions in excess of the prevailing Annual Allowance may attract a tax charge. You should discuss this with your Advisor before contributing cash to your Nucleus

Pension account in excess of the Annual Allowance.

Personal contributions in excess of your UK taxable earning or £3,600, whichever is greater, will not attract tax relief and may incur an additional tax charge.

The Nucleus Pension account does not accept contributions after age 75.

#### 5.4.2 Transfers in

The Scheme Administrator will accept transfers into your Nucleus Pension account from other UK registered pension schemes and pension credits. All other requests for transfers in may be accepted at Scheme Administrator's discretion.

Transfers may be of unvested benefits or of benefits in payment.

In order to transfer in benefits you should ensure that the Trustees of the ceding scheme will allow a transfer out and agree to meet all costs and charges applicable to such a transfer.

The Scheme Administrator may, acting in our sole discretion, accept in specie transfers.

The Scheme Administrator, Scheme Provider and Trustees accept no liability for any penalties, charges or liabilities arising from the transfer of benefits from any other scheme.

Transfers in from another pension scheme to your Nucleus Pension account do not affect your Annual Allowance.

If the transfer is in respect of benefits in payment the transfer must be paid into a new account.

#### 5.4.3 Withdrawals

Withdrawals from a pension are limited by Regulations but the options for drawing your pension or transferring out are set out below.

#### 5.4.4 Transfers out

On receipt of confirmation from the Trustees of a registered pension scheme or a QROPS that they will accept a transfer, the Scheme Administrator will transfer out the value of your Nucleus Pension account, without additional charge.

Transfers may be of unvested benefits or of benefits in payment.

The Scheme Administrator will complete all transfers out as soon as reasonably practical after receipt and acceptance of the relevant paperwork from your new scheme provider. Should the transfer criteria, including full details of the receiving scheme, not be met there may be a delay in transferring your Nucleus Pension account to another provider. The Scheme Administrator may also refuse or delay a transfer request where, in its absolute discretion, it decides additional due diligence is required to ensure that such a transfer will not give rise to any unauthorised payments charge or not be deemed a "recognised transfer" under the Regulations. If your benefits have been designated to drawdown (crystallised), any transfer request must include the whole of the drawdown pension fund or flexi-access drawdown fund. Where you have multiple



crystallised accounts, any transfer request must be in respect of all of them unless the money is being used to purchase a lifetime annuity.

Subject to agreement from the other provider, the Scheme Administrator will allow you to transfer out your investments in either cash or via reregistration of investments or in-specie transfer of equities.

#### 5.4.5 Payment of benefits

Available benefits from your pension account include:

- Pension drawdown;
- Pension commencement lump sum (PCLS);
- Lump sum death benefit; and
- beneficiary Dependants pension drawdown.

Retirement benefits can normally be taken after age 55. You can only start taking retirement benefits before the age of 55 if you have a protected pension age or are eligible for benefits on the grounds of ill health lump sum. For further details, you should contact your Advisor.

The amount being crystallised will be tested against your available Lifetime Allowance. Current levels of Lifetime Allowance and tax rates for exceeding this level are determined by HMRC and prevailing levels can be found at [www.hmrc.gov.uk](http://www.hmrc.gov.uk). For further details you should contact your Advisor.

The Scheme Administrator reserves the right to sell Assets held within your Nucleus Pension account at our discretion in order

to meet any liabilities resulting from a breach of the Lifetime Allowance. The Scheme Administrator, the Scheme Provider and the Trustees accept no liability for any charges resulting from a breach of the lifetime allowance. Any charges, penalties or tax payments resulting from a breach of the Lifetime Allowance must be met by you.

In order to apply lifetime allowance protection, the Scheme Administrator must be in receipt of the protection certificate or reference number prior to each benefit event. The Scheme Administrator will not apply lifetime allowance protection until we are in receipt of all required information.

An instruction to take benefits from your Nucleus Pension account must be made through a fully and correctly completed, and signed, pension drawdown request form.

Where you request payment of benefits, the valuation of your Nucleus Pension account will be based upon the last known price the Scheme Administrator can obtain for the investments held within the account.

#### 5.4.6 Pension commencement lump sum ("PCLS")

The Scheme Administrator must receive a fully, and accurately, completed and signed request form prior to payment of the PCLS.

Payment of a PCLS can only be requested at the same time as requesting pension drawdown or the purchase of a lifetime annuity.

A PCLS payment cannot be made until cleared funds have been received. If a contribution is eligible for tax relief which is received at a later date PCLS amounts may be paid separately.

#### 5.4.7 Pension drawdown

##### 5.4.7.1 Capped drawdown

If you have a drawdown account established before 6 April 2015, which is not subject to flexi access drawdown rules, then any income you withdraw is subject to a limit calculated by reference to

Government Actuary's Department tables. These accounts are termed capped drawdown accounts.

You can choose to move from capped drawdown to flexi-access drawdown (but not from flexi-access drawdown to capped drawdown). Please speak to your Advisor for more details.

If you exceed the maximum limit under capped drawdown for that year, you will become subject to the rules governing flexi-access drawdown.

Your maximum capped drawdown income will be reviewed every three years up to the age of 75, and annually thereafter.

An interim review of limits will be triggered either:

- by additional designations to pension drawdown;
- following part of your crystallised investments being used to purchase an annuity; or
- when transferred out following a pension sharing on divorce transaction.

Interim reviews triggered by an additional designation will be effective immediately. However, a new maximum level of drawdown will not take effect until the beginning of the next Pension Year, if it is lower than the previous maximum. Interim reviews triggered following an annuity purchase or pension sharing transfer will be effective from the start of the next Pension Year.

You may request an interim review on the anniversary of your Pension Year. The new maximum level of drawdown will take effect from the start of the next Pension Year.

If you are making withdrawals from your capped drawdown, you may still, make contributions up to your prescribed annual allowance.

##### 5.4.7.2 Flexi-access drawdown

If you established a flexi-access drawdown after 6 April 2015, it will be what is termed a flexi-access drawdown. There are no limits to the amount of income you may withdraw from a flexi-access drawdown, up to the full value of your fund.

Once you are taking flexi-access drawdown income, you may not make contributions of more than the Money Purchase Annual Allowance (MPAA) to any of your money purchase pension arrangements. Details of the current level of MPAA can be found at the HMRC website at [www.hmrc.gov.uk](http://www.hmrc.gov.uk).

##### 5.4.7.3 Drawdown payments

Pension drawdown payments can be made monthly, quarterly, annually or on an ad hoc basis.

Pension drawdown payments will be made on the specified day of the month and should reach your nominated bank account no later than five Business Days following this.

The date the pension drawdown payment leaves the drawdown account will be the date used to determine which Pension Year the pension drawdown payment falls into.

You can vary the income level at any time, and even take one-off amounts of irregular intervals throughout the year.

#### 5.4.8 Annuity purchase

You may purchase an annuity on the open market with investments and Cash accumulated through your Nucleus Pension account. This can be at any point after you are able to take benefits from your Nucleus Pension account, usually from age 55. If you wish to purchase an annuity, please contact your Advisor.

An annuity may be purchased using unvested funds or vested funds.

#### 5.4.9 Death benefits

On notification of your death, your beneficiaries can choose from the following options:

- Pension drawdown from a Beneficiary Drawdown Plan;
- Annuity purchase;
- Lump sum; or
- A combination of the above.

You may also nominate a charity to receive a lump sum if you have no surviving dependants.

We have discretion over the exact form of benefits and the recipients. You can let us know who you would like to receive benefits following your death by instructing us. Any nomination you make this way is not binding on us but will be considered carefully. You can change your nominations at any time by instructing us.

If Assets are subject to de minima and other dealing restrictions, as described in the main terms and conditions, this may restrict the ability of your beneficiaries to take benefits. This may involve, for example a redemption minimum that prevents the Scheme Administrator selling an investment or an extended redemption settlement period that delays a benefit payment. You should discuss this with your Advisor.

Where you established capped drawdown before 6 April 2015, but died after this date, then if your beneficiary chooses to take drawdown, this will be flexi-access drawdown.

Lump sum death benefits payable after age 75 will be subject to a tax charge at the prevailing rate. This will be deducted from the lump sum payment by the Scheme Administrator and paid to HMRC.

Your beneficiaries can take payments from the Beneficiary Drawdown Plan. Pension drawdown payments can be made monthly, quarterly, annually or on an ad hoc basis.

Pension drawdown payments will be made on the specified day of the month and should reach your beneficiary's nominated bank account no later than five Business Days following this.

The date the pension drawdown payment leaves the drawdown account will be the date used to determine which Pension Year the pension drawdown payment falls into.

Your beneficiary can vary the income level at any time, and even take one-off amounts at irregular intervals throughout the year.

On receipt of a confirmation from the Trustees of a registered pension scheme or a QROPS that they will accept a transfer, the Scheme Administrator will transfer out the value of the beneficiary's pension drawdown plan, without additional charge.

The Scheme Administrator will complete all transfers out as soon as reasonably practical after receipt and acceptance of the relevant paperwork from your new scheme provider. Should the transfer criteria, including full details of the receiving scheme, not be met there may be a delay in transferring the Beneficiary Drawdown plan to another provider. The scheme administrator may also refuse or delay a transfer request where, in its absolute discretion, it decides additional due diligence is required to ensure that such a transfer will not give rise to any unauthorised payments charge or be deemed not a "recognised transfer" under the Regulations.

Subject to agreement from the other provider, the Scheme Administrator will allow your beneficiary to transfer out their investments in either Cash or via reregistration of investments or in-specie transfer of equities.

#### 5.4.9.1 On the death of your beneficiary

Your beneficiaries or successors can nominate successors to receive on their death any remaining Pension Drawdown funds. Successors can choose from the following options:

- Pension drawdown from a Beneficiary Drawdown Plan;
- Annuity purchase;
- Lump sum; or
- A combination of the above.

Your beneficiaries or successors may also nominate a charity to receive a lump sum if you have no surviving dependants.

We have discretion over the exact form of benefits and the recipients. You can let us know who you would like to receive benefits following your death by instructing us. Any nomination you make this way is not binding on us but will be considered carefully. You can change your nominations at any time by instructing us.

Lump sum death benefits payable after age 75 will be subject to a tax charge at the prevailing rate. This will be deducted from the lump sum payment by the Scheme Administrator and paid to HMRC.

#### 5.4.10 Taxation

Subject to the prevailing HMRC legislation the Scheme Administrator will claim tax relief on all new personal contributions made to your Nucleus Pension account. Contributions made by a third party (not your employer) will be treated as personal contributions.

The Scheme Administrator and the Trustees accept no liability for any tax charges or penalties resulting from

contributions made to your Nucleus Pension account which are not eligible for tax relief. The Scheme Administrator will not claim any tax relief on contributions made by your employer.

All tax relief claimed from HMRC will be credited to your Accumulation Account when it is received and invested in accordance with the investment instructions received from you. Typically, the Scheme Administrator will apply monies received from HMRC in respect of tax relief to your Accumulation Account within one Business Day of receipt.

At its absolute discretion the Scheme Administrator may choose to prefund tax relief payments to you and where this applies, monies received from HMRC in respect of prefunded tax relief will be utilised to repay that prefunded amount to the Scheme Administrator.

Investments held in the Nucleus Pension account are not usually subject to income or capital gains tax.

#### 5.4.11 Asset choice

A wide variety of investments are available through a Nucleus Pension account as available on the Nucleus wrap and as permitted by applicable Regulations. The Scheme Administrator will only allow permissible investments to be bought, sold and held through your Nucleus Pension account and it is your responsibility, in conjunction with your Advisor, to ensure that you do not purchase ineligible investments. Investments available through your Nucleus Pension account can be found on the Website.

#### 5.4.12 Regulation

The Nucleus Self-invested Personal Pension Scheme (the “Scheme”) is an HMRC registered pension scheme. It has been established under the Finance Act 2004 for the sole purpose of providing pension and lump sum benefits for eligible individuals.

The Scheme is established under a deed of trust and administered according to the Scheme rules which are available on request. The Scheme will be governed and administered according to these Scheme documents as amended and restated from time to time (the “Scheme Documents”) and these terms and conditions.

The Nucleus Pension account is provided and operated by Nucleus Financial Services Limited. The Scheme Administrator and the Scheme provider will administer the Scheme in accordance with the rules of the Scheme and the Scheme Documents from time to time, these terms and conditions and all applicable law and Regulations.

Nucleus Trustee Company Limited is the Trustee of the Scheme and legal owner of all Assets of the Scheme.

You are, and at all times will remain, the beneficial owner of the Assets held in your Nucleus Pension account. Investments made by you will be held, on your behalf, in the name of the Trustees of the Scheme.

#### 5.4.13 Eligibility

The Nucleus Pension account is open to anyone who is eligible under the applicable Regulations to make pension contributions in the UK and anyone who has an existing UK pension which they wish to transfer,

albeit they may be unable to make further contributions.

A Nucleus Pension account may not be suitable for investors not resident in the UK and may not be accessible due to regulations in force in their place of residence.

For investors under the age of 18, the Application must be signed by a parent or guardian.

#### 5.4.14 Governing law and jurisdiction

These terms and conditions specific to the Nucleus Pension account, and any non-contractual obligations arising out of or in connection with these terms and conditions specific to the Nucleus Pension account, shall be governed by and construed in accordance with the laws of Scotland.

Any dispute (whether contractual or non-contractual) arising from, or related to, terms and conditions specific to the Nucleus Pension account shall be subject to the exclusive jurisdiction of the Scottish courts.

#### 5.4.14 Nucleus Pension account definitions

**“Accumulation Account”** means one of the two secondary accounts within the Nucleus Pension account which allows you to build up a tax efficient fund by making regular or single contributions or by transferring in Assets from another pension arrangement.

**“Annual Allowance”** means the limit on how much tax-free pension savings you can make in any one tax year, as specified by HMRC.

**“Block Transfer”** the transfer in of a single transaction of all the sums and Assets held for the purposes of (or representing accrued rights under) the arrangements under the pension scheme from which the transfer is made, which relate to you and to at least one other member of that pension scheme. Before the transfer you must not have already been a member of the Scheme for longer than 12 months before the date of transfer.

**“Dependant”** means a person who was married to, or a civil partner of, the client at the date of the client’s death, a child (or children) of the client who had not reached the age of 23 or has reached age 23 and, in the opinion of the Scheme Administrator, was at the date of the client’s death dependent on the client because of physical or mental impairment. A person who was not married to the client or was not in a civil partnership with the client at the date of the client’s death and is not a child of the client is a dependant of the client if, in the opinion of the Scheme Administrator, at the date of the client’s death the person was:

- financially dependent on the client;
- the person’s financial relationship with the client was one of mutual dependence (the scheme rules will set out the criteria the scheme will use to determine mutual dependency); or
- the person was dependent on the client because of physical or mental impairment.

**“Drawdown Account”** means one of the two secondary accounts within the Nucleus Pension account which receives Assets from your Accumulation Account when you

are entitled to take benefits and allows you to drawdown income.

“Pension Year” these periods run in consecutive 12-month periods from the point initial entitlement to such pensions actually arise. These periods are set at the point that initial entitlement arises and cannot be changed from that point onwards until you reach your 75th birthday. After you have reached age 75 you can ask your Scheme Administrator to make a one-off change to an arrangement’s pension year.

“Lifetime Allowance” means the HMRC limit for the total value of all the benefits built up in your pension arrangements by you and/or your employer (including investment growth) above which the sums are subject to a ‘Lifetime Allowance Charge’ which applies in addition to the usual income tax due on pension payments.

“QROPS” means a qualifying recognised overseas pension scheme as defined in the Finance Act 2004.

“Scheme Administrator” means Nucleus Financial Services Limited. “Scheme Provider” means Nucleus Financial Services Limited. “Trustees” means Nucleus Trustee Company Limited.

## 5.5 Nucleus Onshore Bond account

The terms of this section 5.5 apply to you if you hold a Nucleus Onshore Bond account and should be read in conjunction with the main terms and conditions and form part of the legal agreement in respect of which

the Nucleus Onshore Bond account is provided.

Countrywide Assured plc is the provider of the Nucleus Onshore Bond account following a transfer of business from CASLP Ltd (formerly Sanlam Life & Pensions UK Limited).

Countrywide Assured plc provides the Nucleus Onshore Bond account in accordance with the HMRC Regulations and the FCA Rules. Any investment received from you under the Onshore Bond account forms part of Countrywide Assured plc’s long-term business funds.

Countrywide Assured plc has appointed Nucleus as administrator of the Nucleus Onshore Bond account and therefore all correspondence and communication by you regarding the Nucleus Onshore Bond account should in the first instance be addressed to Nucleus.

The Nucleus Onshore Bond account is a single premium whole of life contract of insurance. It is issued as one hundred separate policies (or such other number as stated in the Policy Schedule), each of which is a separate contract and each of which is identical to the other at the Commencement Date of the Nucleus Onshore Bond account (this is

the date of receipt of the initial lump sum investment as specified in the Policy Schedule).

These Onshore Bond terms apply to the Nucleus Onshore Bond account as a whole and to each of its constituent policies. Unless otherwise permitted by Countrywide Assured plc, the exercise by you of any

option in respect of a policy is subject to the restriction that it must be exercised in the same way for all constituent policies comprising the Nucleus Onshore Bond account with the exception of an option to encash a policy which is not subject to such a restriction. For the avoidance

of doubt, reference to the Nucleus Onshore Bond account shall be deemed to mean all of the separate policies (identified in the Policy Schedule) which have not been encashed at any time.

### 5.5.1 Eligibility and Life Assured

For us to establish a Nucleus Onshore Bond account for you, you must be 18 years of age or over and either resident in the UK or UK domiciled.

You may apply jointly for a Nucleus Onshore Bond account. For individuals acting in their own capacity there may be two joint holders. In respect of Trustees, we permit up to four joint owners. Joint holders will be jointly and severally liable for each other's obligations as set out in section 4.1.2.

Currently, the Nucleus Onshore Bond account may have up to six Lives Assured.

## 5.5.2 Contributions

### 5.5.2.1 Investments

Your investment is treated as the initial single payment along with any other ad-hoc payments you make to your Nucleus Onshore Bond account. All investments, initial and top ups are subject to any minimum payment amounts set by Countrywide Assured plc from time to time.

### 5.5.2.2 Initial investment

Your initial investment is recorded in the Policy Schedule. This amount is divided in equal proportions across all policies comprising your Nucleus Onshore Bond account.

### 5.5.2.3 Top ups

Regular top ups are not allowed for your Nucleus Onshore Bond account. However, you may top up your initial investment by paying additional sums to the Nucleus Onshore Bond account at any time before the benefits become payable. The top up amount is divided in equal proportions across all policies comprising your Nucleus Onshore Bond account.

## 5.5.3 Withdrawals

If you want to make withdrawals from your Nucleus Onshore Bond account, you may do so on a regular or on an ad hoc basis. Please refer to section 4.10 for more details about withdrawals.

All withdrawals are subject to any minimum payment amount as stipulated by us from time to time. A full withdrawal may also be made. Making regular or ad hoc withdrawals may have tax consequences for you, and as such you should speak to your Advisor before making a decision.

If you make an ad hoc withdrawal we will assume that it will be in equal proportions from all the policies comprising the Nucleus

Onshore Bond account, unless you request that whole policies are to be encashed.

If you would like us to organise regular withdrawals from your Nucleus Onshore



Bond account, please contact your Advisor. Regular withdrawals are available as a fixed monetary amount, or as an annual percentage of the total premiums paid to your Nucleus Onshore Bond account. You may choose the frequency and payment dates of regular withdrawals from the options set out in the Application.

#### 5.5.4 Taxation

Any taxable income, credits or gains that arise are subject to corporation tax at the rates that apply to Countrywide Assured plc on its life funds.

We will deduct the quarterly tax chargeable to your Nucleus Onshore Bond from its Cash Balance. Where there is insufficient cash to pay the cumulative tax due, we reserve the right to sell assets in the account to cover the tax due in full.

Where possible, indexation relief is applied in calculating the tax liability on gains. Income distributions are taxable only to the extent that they are not exempt dividends within the Nucleus Onshore Bond account.

The deduction of this tax from the Portfolio is treated as fulfilling the liability to basic rate tax for the Nucleus Onshore Bond account.

If a loss is made on any of the Assets held within your Nucleus Onshore Bond account, we will offset the tax value of the loss against any available taxable gains in the bond's same tax year. Where losses exceed gains in a tax year, we will carry forward any remaining losses to set against available gains in future years.

The tax value of losses may appear as a positive balance on your Nucleus Onshore Bond tax account. If the positive balance is the cumulative net amount for the year, then, as it is the tax value of a loss, it will be carried forward for offset against any future years' taxable gains.

If you are a higher or additional rate taxpayer at the time a chargeable event occurs, or the gain makes you a higher rate taxpayer, a further amount of tax will become payable. A chargeable event will normally occur in the following circumstances: on encashment of some or

all policies, on certain assignment, on the Death Benefit becoming payable or if withdrawals exceed the allowance for the deferral of tax of 5% per annum cumulative for 20 years.

We are required to inform HMRC in these circumstances and to issue to you a chargeable event certificate. As the tax treatment of any chargeable event will be dependent on your personal circumstances, you should obtain tax advice if you receive a chargeable event certificate.

The payment of any advice fee from your Nucleus Onshore Bond account will be treated as a capital withdrawal for tax purposes and will count towards the 5% tax deferred allowance.

The tax status of the Nucleus Onshore Bond account is dependent on current UK tax law and regulation which is subject to change. The value of any tax benefit is dependent on the policyholder's personal circumstances. Countrywide Assured plc and Nucleus will not be liable for your personal tax circumstances or your tax

treatment consequent on holding a Nucleus Onshore Bond account.

### 5.5.5 Asset choice

You may choose to invest your Nucleus Onshore Bond account in the range of Assets made available for the Nucleus Onshore Bond account under the Nucleus wrap subject to the conditions stated below. The value of the Nucleus Onshore Bond account will be determined by the value of the Assets in which your Nucleus Onshore Bond account is invested from time to time.

Any Asset selected for investment under the Nucleus Onshore Bond account is subject to the following overriding conditions:

- The asset must be available for investment on the Nucleus wrap;
- The asset must comply with the FCA rules and any regulatory restrictions;
- The asset must be available to all other policyholders of this class of policy and investment in the asset must not at any time cause the Nucleus Onshore Bond Account to be a Personal Portfolio Bond; and
- The asset must fulfil the due diligence criteria of Countrywide Assured plc as an asset suitable for investment under the Nucleus Onshore Bond account including, but not limited to, evidence of liquidity and valuation of the asset in each case within a reasonable time.

If at any time Countrywide Assured plc determines that an asset is not permissible as an asset to which the Nucleus Onshore Bond account may be linked, it will not be

available for investment under the Nucleus Onshore Bond account.

Any investment instructions from you or given on your behalf must comply with these Nucleus Onshore Bond account terms and in particular with the Nucleus wrap main terms and conditions. The administrator will carry out such investment instructions as set out in the Nucleus wrap main terms and conditions subject to the above conditions.

### 5.5.6 Ownership of Cash and Assets

Ownership of Assets held within your Nucleus Onshore Bond account and all associated rights or interests in such Assets, vests entirely in Countrywide Assured plc. Your entitlement to the benefits provided by your Nucleus Onshore Bond account does not create any right of ownership or other legal or beneficial right or interest for you or your Nominee in any Assets that may be acquired via the Nucleus Onshore Bond account.

### 5.5.7 Death Benefit

On the death of a sole Life Assured we will pay the Death Benefit. If there is more than one Life Assured named in the Policy Schedule, the Death Benefit will be paid either on the first or last of the Lives Assured to die as specified in the Policy Schedule.

On receiving the death certificate of a Life Assured that brings about the payment of the Death Benefit the administrator will initiate the sale of the relevant Assets in which the Nucleus Onshore Bond account is invested.

The Death Benefit is 100.1% of the balance after all Assets in which the Nucleus Onshore Bond account is invested, have been sold and the proceeds of sale have been received and after deduction of all applicable charges, tax and costs.

Payment of the Death Benefit will only be made when all our requirements have been met, including when evidence of death of the relevant Life Assured and entitlement to benefit has been established to our satisfaction. The payment of the Death Benefit brings the Nucleus Onshore Bond account to a close and will release Countrywide Assured plc and Nucleus from all obligations under the Nucleus Onshore Bond account.

#### 5.5.8 Assignment of your Nucleus Onshore Bond account

At the absolute discretion of Countrywide Assured plc, you may assign the Nucleus Onshore Bond Account in part or in whole to another party. Such assignments will be subject to the Nucleus wrap main terms and conditions.

#### 5.5.9 Provider

Countrywide Assured plc is a company incorporated and registered in England and Wales with company number 02261746 and whose registered office is at 2nd Floor, Building 4 West Strand, West Strand Road, Preston, Lancashire, England, PR1 8UY. Countrywide Assured plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

The FCA registration number is 141916. Countrywide Assured plc is a member of the Chesnara Group. Countrywide Assured plc provides the Nucleus Onshore Bond account in accordance with the HMRC Regulations and the FCA Rules. Any investment received from you under the Nucleus Onshore Bond account forms part of Countrywide Assured plc long-term business funds.

#### 5.5.10 Governing law

These terms specific to the Nucleus Onshore Bond account, and any non-contractual obligations arising out of or in connection with these terms specific to the Nucleus Onshore Bond account, shall be governed by and construed in accordance with the laws of England and Wales. Any dispute (whether contractual or non-contractual) arising from, or related to, terms specific to the Nucleus Onshore Bond account shall be subject to the exclusive jurisdiction of the English and Welsh courts.

#### 5.5.11 The Nucleus Onshore Bond account definitions

**“Death Benefit”** is the lump sum payable on the death of a Life Assured.

**“FCA Linking Rules”** are the rules and guidance prescribed by the FCA concerning the type of assets by which the value of a life assurance policy may be determined (these are set out in the Conduct of Business rules contained within the FCA Handbook at [www.handbook.fca.org.uk](http://www.handbook.fca.org.uk)).

**“Life Assured”** is the individual or individuals named against that heading in the Policy Schedule.

“**Policy Schedule**” means the schedule issued by us after acceptance of your Application for the Onshore Bond Account, setting out details such as the Commencement Date of the Onshore Bond Account and initial premium received.

“**Personal Portfolio Bond**” has the meaning provided under Section 516 Income Tax (Trading and Other Income) Act 2005.

## 5.6 The Nucleus Junior Isa account

The terms of section 5.6 apply to the Nucleus Junior Isa account and should be read in conjunction with the main terms and conditions.

### 5.6.1 General

The Nucleus Junior Isa (“Jisa”) account is a stocks and shares Junior Isa for children. The Jisa account is in the name of the child and the funds in the Jisa belong to the child as beneficial owner.

An adult must open the Jisa account on behalf of the child if the child is under 16. The adult that opens the account must be 16 or over and have parental responsibility for the child.

The terms and conditions in this section 5.6 are between Nucleus and the “registered contact”. The “registered contact” must be aged 16 or over and may be either: (i) the adult that opens the Jisa account on behalf of the child; or (ii) the child, if the child makes an application to become the registered contact.

When we say “you” in this section 5.6, we mean the registered contact. There can only be one registered contact at any time.

### 5.6.2 Eligibility

The child must be under 18 years old and be resident in the UK.

A child may only have one Jisa account at any time and the child is not eligible to open a Jisa account if they already have a Child Trust Fund unless you transfer the Child Trust Fund to Nucleus.

The Jisa account may not be assigned or used as security for a loan.

### 5.6.3 Contributions

The process for subscribing to a Jisa account is set out in the Key Features of the Nucleus Junior Isa Account document. You should note that the child’s Jisa account will not start until the first subscription amount is received by us.

### 5.6.4 Cash contributions

You can choose to make a lump sum or a regular contribution to the Jisa and you should be aware that there are restrictions which govern the amount that you can contribute to a Jisa in each tax year. For more information, please contact your Advisor.

### 5.6.5 Transfers in

You can transfer into a Jisa account by transferring assets from a Junior Isa account with another Isa manager or other eligible products from other providers (an Isa transfer form must be completed).

### 5.6.6 Withdrawals

Cash can't be withdrawn out of a Jisa account until the child turns 18, so the flexibility to withdraw and replace contributions does not apply to the Nucleus Junior Isa. Cash can be withdrawn if the child becomes terminally ill or dies. You should obtain HMRC approval in advance for your request to take money out of the Jisa account.

We will write to the child (to the address your Advisor has provided to us) in advance of the child reaching 18 to outline the options available to them.

### 5.6.7 Transfers out

You can choose to transfer the Assets in a Jisa account to a Jisa with another Isa manager.

Any transfers will be within the time you state and in accordance with the Isa regulations relating to transfers. Transfers can be dealt with on a cash or in-specie (re-registration of Assets) basis but will ultimately be subject to the new plan manager's terms and conditions.

If you transfer a Jisa account to another Isa manager and income is subsequently received by us on your behalf, we will send this income to an account stipulated by the new Isa manager.

### 5.6.8 Taxation

In the Jisa account, all monies that are invested (including any transfers-in of cash) shall be administered as one amount. For further information regarding tax years please speak to your Advisor.

We will provide HMRC with such information about the Jisa account as we are required to provide under the prevailing Isa Regulations and all other applicable Regulations.

If we have passed any tax to you that you are not entitled to, we reserve the right to deduct an amount equal to the overpayment from the Jisa and repay this to HMRC.

We will not claim relief on tax levied outside the UK.

### 5.6.9 Asset choice

You may only invest in Assets which are available on the Nucleus wrap and meet the requirements of HMRC under the Isa Regulations.

The child will at all times be the beneficial owner of the Assets held in the Jisa account. Investments made in the Jisa account will be held on the child's behalf, in accordance with this section 5.6 and the other terms of the Nucleus terms and conditions. This section 5.6 shall prevail in the event of, and to the extent there is, an inconsistency between this section 5.6 and the other terms of the Nucleus terms and conditions.

### 5.6.10 Regulation

The Jisa account is provided by Nucleus Financial Services Limited.

The Jisa account will be, and must remain in, the beneficial ownership of the child.

### 5.6.11 Voiding

“Voiding” in the context of these terms and conditions means where all income in respect of an invalid subscription to a Jisa is to be taxed and all the invalid subscription and the (taxed) income must be removed from the Jisa.

The Jisa account will be managed in accordance with “Isa Regulations”, which will take precedence over these terms and conditions in the event of a conflict. We will notify you if, as a result of any failure to comply with the Isa Regulations or any other Regulations, the Jisa account is or becomes Void.

As soon as we become aware that the Jisa account has or will become Void, we will notify you, and on your instructions we will:

transfer your Jisa account to another Isa manager; or

transfer the relevant portion of the Assets held within the Jisa account to the relevant Nucleus General account; or

sell the relevant portion of Assets held within the Jisa account and pay the proceeds, together with any Cash balance held in the Jisa account, directly to you.

Before we carry out any such instruction, we may deduct from any Cash available (including the proceeds from the sale of Assets) such amount necessary to cover any fees or other amounts due to us, any tax liability that has to be paid or repaid as well as any additional expenses incurred in terminating your Account.

For more information on the reasons a Jisa might become Void please speak with your Advisor.

### 5.6.12 Governing Law and Jurisdiction

These terms and conditions specific to the Jisa account, and any non-contractual obligations arising out of or in connection with these terms and conditions specific to the Nucleus Junior Isa account, shall be governed by and construed in accordance with the laws of England and Wales.

Any dispute (whether contractual or non-contractual) arising from, or related to, terms and conditions specific to the Jisa account shall be subject to the exclusive jurisdiction of the English courts.

## 5.7 Other Nucleus accounts

The Nucleus Offshore Bond is provided by RL360 Insurance Company Limited (RL360). Please refer to the product specific terms and conditions issued by RL360.

There is a commercial arrangement between Nucleus and RL360 where RL360 receive payment for services they provide. This is paid by Nucleus and not by you. For each investor with an Offshore Bond Account, we pay RL360 for providing the product. The terms and conditions in relation to the offshore bond provided by RL360 are available electronically on the Nucleus document store. If you would like a copy sent to you, please contact Nucleus Client Relations on 0131 226 9535.

Nucleus APP Pension Account: provided by the Scottish Friendly Personal Pension Plan, established by the Scottish Friendly Assurance Society Limited and administered by Scottish Friendly Insurance Services Limited. This Account can only accept contributions of contracted-out rebates (‘minimum contributions’) and

associated tax from another pension arrangement. This Account is also subject to the Lifetime Allowance. You should note that withdrawals may only start after retirement age and are subject to complex limits.

When the death certificate of a member is received by us, we will sell the non-cash Assets in the Nucleus APP account and hold the proceeds on deposit pending instructions from your Representative(s).

You should note that this Account can only invest in Scottish Friendly Life funds which have been set up to replicate a number of select investment funds. The Nucleus APP Pension Account is closed to new members, but it will continue to accept contributions of contracted-out rebates.

The onshore bond provided by Scottish Friendly Assurance Society Limited is now closed to new business. Please refer to your policy schedule for the terms and conditions.

We operate a Nucleus Wrapstore ® where you can purchase additional products or services (known as ‘apps’) to complement your Nucleus wrap. There is a growing range of products and services available and each one has its own terms and conditions to complement this document.

You will be asked to ensure you have read and understood the relevant terms and conditions of any Wrapstore® app you choose to buy, and you will always be given 30 days’ notice of any changes to these terms and conditions. Your Nucleus statements will highlight any products or services you buy in this way.

Your Advisor may instruct us to pass your personal data to a third party app provider. Where you choose to meet a Wrapstore® app’s fees from your Nucleus wrap, the cost will be itemised on your Nucleus statement as ‘Wrapstore®: app name’ and you will be able to get more detail by clicking on the description or by asking your Advisor.

For more details and to understand whether Wrapstore® is (or might be) relevant to you, please speak to your Advisor, who is solely responsible for assessing the suitability of any Wrapstore® apps for you.

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You can check this on the FCA’s Register Oby visiting the website <https://register.fca.org.uk/> or by contacting the FCA on 0800 111 6768; or at The Financial Conduct Authority, 12 Endeavour Square, London E20 1JN.

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