

## CHANGES TO TERMS & CONDITIONS AND POLICY SUMMARIES

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Vermeer Partners conducts an annual review of our terms of business to ensure these reflect any changes in: legal or regulatory environment; our custodian's processes and terms; and changes within our own business practices. The following is a summary of all the amendments which have been made to the Vermeer Investment Management Limited (trading as Vermeer Partners) terms of business, and which take effect from January 2021. Please contact your Investment Team if you would like a full version of the current Terms & Conditions and Policy Summaries sent to you.

### SCHEDULE 1 - DEFINITIONS & CONSTRUCTION

**Added:** **Understanding Risk and Reward (URR)** means the document of the same name *which is provided by us to you and is also available on request;*

**Why:** *We included the italic text to reflect that the URR forms part of our account opening documentation and to which clients confirm receipt via the application form.*

### 11 INSTRUCTIONS

**Current:** You may give us instructions in writing or verbally (including by email and telephone).

**Previous:** For your own protection, we do not accept the following means of communication for dealing and payment instructions: (i) email; or (ii) fax.

**Why:** *We amended the terms to reflect that we will accept written instruction via email.*

### 16 FOREIGN EXCHANGE (FX) TRANSACTIONS & CURRENCY FORWARDS

**Current:** If you deal in investments priced in foreign currencies, and you require an FX transaction in connection with the purchase or sale of the investments concerned, we will execute the FX transaction on your behalf. Foreign exchange rates and charges are available on request. It is our policy not to permit currency forward transactions. We will enter into FX transactions on your behalf as agent.

**Previous:** If you deal in investments priced in foreign currencies, and you require an FX transaction in connection with the purchase or sale of the investments concerned, we will execute the FX transaction on your behalf. We will charge you for this service. Foreign exchange rates and charges are available on request. At our absolute discretion, we may accept any reasonable request to execute a FX transaction through an alternative provider specified by you. It is our policy not to permit currency forward transactions. We will enter into FX transactions on your behalf as agent.

**Why:** *We do not charge for performing FX exchange and as such we do not accept FX instruction for our clients via an alternative provider.*



## 20 CUSTODY

**Added:** Under current regulatory permission Vermeer Partners are unable to provide safe custody of physical share certificates except where the investment has been sold and we are in temporary possession as part of settlement process.

**Why:** *Vermeer Partners does not have the regulatory approval to hold client money or assets.*

## 21 CONFLICTS OF INTEREST

**Removed:** Your attention is also drawn to the fact that when we recommend a transaction to you, we and/or an Associate could:

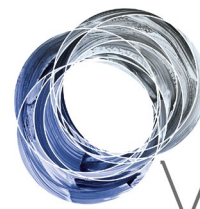
- a) be dealing as principal (on a risk or riskless principal basis) for our own account by selling the investment concerned to you or buying it from you;
- b) be matching your transaction with that of another client by acting on their behalf as well as yours;
- c) have a corporate role or be undertaking to place securities in relation to a transaction or investment undertaken by an individual client or range of clients;
- d) be acting as a market maker in the investments which are the subject of a transaction.
- e) this (and any profit or loss whilst undertaking this role) may or may not be shown to you on the relevant contract note or advice and may not be disclosed to you at the time of the recommendation.

**Why:** *Vermeer Partners does not undertake any of the points in clauses 21 a) to e).*

## 25 EUROPEAN UNION SAVINGS DIRECTIVE (“EUSD”) & THE FOREIGN ACCOUNT TAX COMPLIANCE ACT (“FATCA”)

**Added:** Under FATCA, Vermeer Partners is required to report to HMRC information relating to a United States (US) Person, who receives savings income in the form of income and capital gains, unless such persons have a valid exemption. The term “US Person” means a US citizen or resident individual, a partnership or corporation organised in the US, a trust, if (i) a court within the US would have authority under applicable law to render orders or judgements concerning substantially all issues regarding administration of the trust, and (ii) one or more US persons have the authority to control all substantial decisions of the trust, or an estate of a decedent that is a citizen or resident of the US.

**Why:** *Vermeer obtained permission from the United States Inland Revenue Service to become a Qualified Intermediary for tax reporting purposes. We therefore reflect the reporting required for a client who is deemed a US person.*



## 29 ADVISOR CHARGES

- Current:** Where instructed by you, and in accordance with Applicable Law, we will facilitate the payment of any Advisor Charge upon completion of the relevant agreement between the Advisor and Vermeer Partners. If you change advisor or otherwise wish to cancel this payment, please provide us with thirty (30) days' notice in writing. Vermeer Partners do not facilitate payments to a service provider not directly linked to the investments held within the portfolio. Non-Investment Services should be settled directly by the client. If such services are to be settled from the investment held by Vermeer Partners, then the value shall be remitted to the client bank account held on record.
- Previous:** Where instructed by you, and in accordance with Applicable Law, we will facilitate the payment of any Advisor Charge. If you change advisor or otherwise wish to cancel this payment, please provide us with thirty (30) days' notice in writing.
- Why:** *Clarification of agreements to be completed prior to making payment to an Advisor. We also clarify that requests for payments not directly related to the investment and investment process will not be processed by Vermeer Partners. Payments for 3<sup>rd</sup> party services provided directly to the client and not linked to the investment with Vermeer Partners should be settled directly by the client. If this requires funds from investments, Vermeer Partners will transfer the required cash to the client bank account held on file.*

## 30 PAYMENTS & INTEREST

- Removed:** If you wish to set up a direct debit mandate for the payment of Charges or for settlement please complete the relevant forms which are available on request.
- Added:** As referred to in the Pershing Terms of Business, money held with Pershing may earn interest at a rate determined by the relevant bank or credit institution. Pershing apply a money management fee. If the money management fee is higher than the relevant interest rate referred to above, then an appropriate charge in the form of debit interest may be charged.
- Why:** *Vermeer Partners do not facilitate direct debit mandates. We also clarify that when Pershing apply a money management fee, and that fee is greater than the current interest rates applied, this will result in a debit interest charge. This is particularly relevant at times of ultra-low interest rates.*

## 31 DECEASED ACCOUNTS

- Current:** If we receive notice of your death, we will continue to rely on these Terms however the portfolio will be managed on an Execution Only basis and at a fee rate of 0.3% of AUM. Access to the account will be frozen until such time as a grant of probate (or equivalent) has been received unless otherwise agreed with us.
- Previous:** If we receive notice of your death we will continue to rely on these Terms, however, access to the account will be frozen until such time as a grant of probate (or equivalent) has been received unless otherwise agreed with us.
- Why:** *Upon death, all accounts will move from a Discretionary mandate to an Execution Only mandate. The Portfolio will therefore remain unchanged until the grant of probate has been obtained and instructions can then be made. We also confirm we apply a set annual fee to Deceased Accounts of 0.3% AUM.*