

## **SUPPLEMENTARY INFORMATION INCORPORATING ISA TERMS AND CONDITIONS**

This document provides supplementary information about your investment in the T. Bailey Funds (the Funds) for which T. Bailey Fund Services Limited acts as the Authorised Fund Manager (AFM). This document should be read by investors alongside the relevant Key Investor Information (KII) document, Application form and ISA Terms and Conditions. For full detail of the T. Bailey Funds please also refer to the Prospectus. All fund documentation is available at [www.tbailey.co.uk/literature](http://www.tbailey.co.uk/literature).

**Please note that nothing in this document should be taken to be financial advice – if you have any doubt whether the T. Bailey Funds are suitable for you and you wish to receive advice, you should contact a Financial Adviser.**

### **T. Bailey Funds – T. Bailey Growth Fund T. Bailey Dynamic Fund**

The Authorised Fund Manager is: T. Bailey Fund Services Limited (T. Bailey).  
The Investment Manager is: T. Bailey Asset Management Limited.

#### **What is the Key Investor Information (KII) document and what is the Supplementary Information (SI) document?**

The KII document contains details of the investment objective, charges, risks, past performance and basic practical information. The KII document replaces the Simplified Prospectus. All UCITS funds have to produce a KII document in a standard format and KII documents are aimed at helping you compare funds more easily and assess whether a particular fund meets your needs. A separate KII document is produced for each unit class. For our non-UCITS funds (NURS funds) we have also produced a KII document.

The SI document contains additional information required by the Financial Conduct Authority (FCA) to be disclosed to retail investors (information on cancellation rights, complaints and compensation) and also includes more detailed practical information that is not shown in the KII document.

If you are considering an investment into the T. Bailey Funds, you should read the relevant KII document and the SI document carefully so you understand what you are buying, and you should keep a copy for future reference. The latest versions of the KII and SI documents can either be downloaded from our website ([www.tbailey.co.uk/literature](http://www.tbailey.co.uk/literature)) or can be requested by calling us on 0115 988 8213.

#### **The FCA requires the following information to be disclosed to all UK retail investors:**

##### **What if I change my mind?**

You are entitled to cancel your investment should you change your mind. You have 14 days from the date of the contract in which to exercise your right to cancel. Details of how you might exercise these rights are contained in the contract note that will be sent to you confirming your investment. Investors opting to cancel may receive less than their original investment if the unit price falls subsequent to their initial purchase.

##### **What if I have a complaint?**

If you wish to make a complaint about any aspect of the service you have received, or to request a copy of our complaints handling procedures, please contact us at the following address: **The Compliance Officer, T. Bailey Fund Services Limited, 64 St. James's Street, Nottingham NG1 6FJ**. We will inform you of your rights when answering your complaint.

The AFM has documented procedures that comply with the FCA Handbook of Rules for the due consideration and proper handling of complaints. If your complaint is not resolved by us to your satisfaction, you may be entitled to refer it to the **Financial Ombudsman Service at Exchange Tower, London E14 9SR**. See also [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).

##### **What if you cannot afford to pay me any compensation due?**

We are covered by the Financial Services Compensation Scheme which offers compensation when an authorised firm is unable to pay claims against it. You may be entitled to compensation from the scheme if we cannot meet our obligations to you. Most types of investment business are covered for 100% of the first £50,000. Further information about compensation arrangements is available from: **The Financial Services Compensation Scheme, 10<sup>th</sup> Floor, Beaufort house, 15 St Botolph Street, London EC3A 7QU**. See also [www.fscs.org.uk](http://www.fscs.org.uk).

## Additional practical information

### What unit classes are available?

The following unit classes are available for investment. A KII document has been produced for each class. The latest versions of the KII and SI documents can either be downloaded from our website ([www.tbailey.co.uk/literature](http://www.tbailey.co.uk/literature)) or can be requested by calling us on 0115 988 8213.

<i>Fund name</i>	<i>Class name</i>	<i>Inc/ Acc</i>	<i>ISIN</i>	<i>Ongoing Charges Figure (OCF) per latest KII document</i>	<i>Ongoing agent commission built into annual management charge</i>	<i>Investment allowed on business placed on or after 31 December 2012 where advice has been given?*</i>
T. Bailey Growth	Institutional	Accumulation	GB0009346486	1.66%	Nil	Yes
T. Bailey Growth	Retail	Accumulation	GB00B02TSH75	2.56%	0.75%	No
T. Bailey Dynamic	Institutional	Income	GB00B1385S07	1.52%	Nil	Yes
T. Bailey Dynamic	Institutional	Accumulation	GB00B1LB2Z79	1.52%	Nil	Yes
T. Bailey Dynamic	Retail	Income	GB00B1386325	2.42%	0.75%	No
T. Bailey Dynamic	Retail	Accumulation	GB00B1LB3096	2.42%	0.75%	No

\* From 31 December 2012, the FCA has banned the payment of commission by product providers to advisers where advice has been given to a UK retail client. As the Retail classes include an element of adviser commission in the annual management charge, such deals will need to be invested into the Institutional classes.

More details about which unit classes are available for investment can be found at the following site: [www.tbailey.co.uk](http://www.tbailey.co.uk)

### How can I make an investment?

To invest, please complete an application form and send it to us at the address shown at the end of this document, along with your cheque made payable to T. Bailey Fund Services Limited. Payment can also be made by electronic transfer – please contact us for details. You can also invest a lump sum via the telephone by contacting us on 0115 988 8213. Please note that to invest in a stocks and shares ISA (see below) you will need to complete an application form as we require a signed declaration. Please also note that you will be asked to confirm that you have read the latest version of the KII document for the relevant unit class prior to investing.

Any application you make will be transacted at the next available valuation point (i.e. the funds are forward priced). The Funds value daily on normal UK business days at 12 noon. Ownership of units will be evidenced by entry onto the unit register – you will not receive a certificate for your investment. A contract note showing details of your transaction will be sent to you (and your adviser if you have one) by the end of the next business day following the valuation point.

You can invest a lump sum subject to the following minimum investment levels:

Minimum initial lump sum:	£1,000
Minimum additional lump sum:	£ 500

## **Additional practical information**

### **Regular savers scheme**

For regular savings, you will also need to complete a Direct Debit mandate which forms part of the application form. A cheque should be sent for the first payment. Once the Direct Debit has been set up, it will be collected on the 15th calendar day (or next business day) of each month. Monies are collected into a client money account and deals are placed when cleared funds have been received by the AFM. Please also see the Direct Debit guarantee at the end of this document. Regular savers will receive a letter confirming their application has been accepted, but will only receive a contract note for their first investment. The minimum investment is £50 per month.

### **How do I sell units?**

You may sell units by writing to T. Bailey at the address shown at the end of this document or by contacting T. Bailey on 0115 988 8213. Units will be redeemed at the next valuation point after we accept your instructions. A contract note will be sent to you following the transaction and will include a form of renunciation for you to sign and return (if a signed written instruction has not already been received). For accounts with multiple unitholders, renunciation instructions should be signed in accordance with the signatory list submitted with the original application. We will send you the proceeds within four working days of the later of the day the units are sold and the day we accept your completed form of renunciation/ signed written instruction.

### **How will I track the progress of my investment?**

The price of units is published daily at [www.tbailey.co.uk/prices](http://www.tbailey.co.uk/prices). In addition, the latest price or individual valuations can be obtained by calling T. Bailey on 0115 988 8213. Statements confirming transactions and the value of holdings will be prepared as at 31 March and 30 September each year. Statements will be sent to you within 25 business days of the statement date. Retail clients have the right to request statements on a quarterly basis rather than a six-monthly basis.

Every six months (as at 31 March and 30 September) we will also prepare the annual or interim short reports. These will be sent to unitholders by 31 July and 30 November respectively.

### **Do I receive any income?**

#### *T. Bailey Growth Fund:*

As these funds are intended for investors seeking long-term capital growth, all income arising within them is reinvested into the value of units. In other words the units are all accumulation units. The annual income allocation date is 31 May.

#### *T. Bailey Dynamic Fund:*

Both income units and accumulation units are available. The income applicable to income units is distributed quarterly (31 May, 31 August, 30 November, 28/29 February). Income is also allocated to accumulation units on these dates.

Please note that all Junior ISA investments will be made into accumulation units only.

### **ISA wrappers**

Units in the T. Bailey Funds are available for the stocks and shares component of a Individual Savings Account ("ISA") and Junior Individual Savings Account ("JISA"). The aim of these wrappers is to be a tax efficient means of holding an investment.

A ISA is a "wrapper" in which you can place different types of investments (components) without having to pay tax on the investment growth, income or interest produced. Anyone aged 18 or over can invest in a stocks and shares ISA, provided they are resident in the UK for tax purposes. ISAs may not be taken out in joint names. The current annual ISA investment allowance (tax year 2015/16) is £15,240. The full £15,240 can be invested in a stocks and shares ISA. Alternatively, up to £15,240 can be saved in a cash ISA with one provider. Under the ISA rules you can split the amount you pay into a ISA between a Stocks & Shares ISA and a Cash ISA up to the overall limit of £15,240.

A JISA is a type of ISA available to 'eligible children' in respect of which instructions are given by a 'registered contact'. An eligible child must be under the age of 18, born on or after 3 January 2011 or not have a Child Trust Fund account, and be resident in the UK for tax purposes. The JISA will be registered in the name of the child and the investments acquired are for the beneficial ownership of the child. The applicant (registered contact) needs to be over 16 and should have parental responsibility for the child or could alternatively be the child themselves if they are between 16 and 18 and otherwise eligible for a JISA. Investments into a JISA can be made by anyone subject to the annual allowance. Once the child turns 18 the JISA is transferred into an 'adult' ISA and the child gains control of the account.

The current annual JISA investment allowance (tax year 2015/16) is £4,080 per child. The full £4,080 can be invested in a stocks and shares JISA or in a cash JISA, or the investment could be split. However, an eligible child can only have one JISA of each type at any time throughout their childhood.

Please see the relevant application forms (available from [www.tbailey.co.uk/literature](http://www.tbailey.co.uk/literature)) and ISA terms and conditions contained at the end of this document for more details.

## **How and why will you verify my identity?**

We are legally obliged to verify your identity for anti-money laundering purposes. As a consequence, investors may be required to provide proof of identity and address when buying and selling units. Verification of identity checks may also be conducted electronically.

We will not be able to release any sales proceeds to you until we have successfully verified your identity.

## **Taxation**

The following summary of certain relevant taxation provisions is based on current law and practice and does not constitute legal or tax advice. It does not purport to deal with all the tax consequences applicable to the Funds or to all categories of investors, some of whom may be subject to special rules. The regime of taxation of the income or capital gains received by investors depends on the tax law applicable to the personal situation of each investor and/or to the place where the capital is invested. Unitholders and potential investors are advised to consult their professional advisers concerning possible taxation or other consequences of purchasing, holding, selling, converting or otherwise disposing of units under the laws of their country of incorporation, establishment, citizenship, residence or domicile and in the light of their particular circumstances.

Each fund is treated as a separate entity for United Kingdom tax purposes and is liable to Corporation Tax at the rate of 20% on taxable income, net of expenses.

### ***ISAs/ JISAs***

ISA and JISA investors currently have no income or capital gains tax liability on their investment.

### ***Income tax***

Dividend distributions from the Funds are paid net of 10% tax. Basic rate taxpayers have no further liability, but higher rate taxpayers will be liable to additional tax. Non-UK resident investors may be able to reclaim all or part of the tax deducted from HM Revenue & Customs. In the case of accumulation units no distribution of income is made, although a notional distribution is calculated and advised to unitholders for tax reasons. Despite not receiving an income distribution investors may still be liable to tax on it. Tax vouchers will be sent on or before the income allocation date to all unitholders holding units outside of a tax wrapper.

### ***Capital gains tax***

Capital gains within the Fund are not liable to tax. Transactions of units by investors in the Funds, however, may be. When you sell units, any profits may be liable to capital gains tax if your overall gains for the tax year are over the current limit available to UK taxpayers.

### ***Reporting of tax information***

We are subject to various obligations to report certain information to the relevant tax authorities about the funds, investors in the funds and payments made to investors, for example under the Foreign Tax and Compliance Act ('FATCA') and the International Tax Compliance Regulations.

More detailed information about taxation is contained in the full Prospectus. Investors holding the Funds outside of a ISA should declare any income, gains or losses on their tax returns. See [www.hmrc.gov.uk](http://www.hmrc.gov.uk) for more details.

## **Miscellaneous**

### ***Dilution Levy***

As a result of transactions a fund may suffer a reduction in value as costs are incurred in dealing in the underlying investments. To mitigate these costs, we may need to impose a charge known as a dilution levy to protect existing investors from subsidising new entrants and subsidising those exiting the fund. This charge is paid into the relevant fund. Dilution levy will be charged in a way that is, as far as practicable, fair to all unitholders, and is more likely to be charged on larger deals. More details are contained in the Prospectus.

### ***US Persons***

Please note that the T. Bailey Funds are not available for investment by US persons.

### ***Data Protection***

We will use information held about investors in order to service our relationship with them. You consent to processing by T. Bailey or associated companies (including companies to whom administrative functions have been delegated) of personal data submitted by you in the course of your use of our services and to the transmission of such material to associated companies (including companies to whom administrative functions have been delegated) for any purpose that the T. Bailey sees fit.

### ***Liability***

T. Bailey will not be liable for any loss you may experience through a fall in the value of your investments. T. Bailey accepts no responsibility for any loss or delay caused in the transfer or payment to T. Bailey of the funds to be invested.

### ***Client Money***

Cash may be held for you in a client money account in the UK with an authorised bank in accordance with the FCA's client money rules. The bank will hold the cash on behalf of T. Bailey in an account separate from any account used to hold money belonging to us in our own right. T. Bailey will not be responsible for any acts or omissions of the bank. If the bank becomes insolvent, we will have a claim on behalf of our clients against the bank. If the bank cannot repay all of its creditors, any shortfall may have to be shared pro-rata between them. If T. Bailey was to become insolvent, any cash not held in a client money account may be treated as our own funds and this may delay any return of cash to you. No interest is earned or paid on any balances in a client money account.

We may cease to treat cash held for you in a client money account as your cash if we have held it for you for a period of not less than six years and, having taken all reasonable steps (as outlined in the FCA rules), we are unable to contact you. In such circumstances, that cash can be paid to charity (but please note that we would still pay all amounts due to you should you later re-establish contact with us).

Every year, as at 31<sup>st</sup> July, we will send client money statements to anyone with a client money balance at that date. You also have the right to request a statement on other dates.

### ***What happens to my investment on death?***

Your investment will form part of your estate on death and, on production of the death certificate and the grant of probate or letters of administration, can be sold or re-registered in the name of the executors or administrators of the estate or a beneficiary, or in the names of the surviving investors.

### ***Governing Law***

T. Bailey and the T. Bailey Funds operate under and are governed by the law of England and Wales. The documentation relating to your investment will be supplied in the English language.

## **The Direct Debit Guarantee**

Please keep this section for your records



- This Guarantee is offered by all banks and building societies that accept instructions to pay Direct Debits.
- If there are any changes to the amount, date or frequency of your Direct Debit T. Bailey Fund Services Limited will notify you 10 working days in advance of your account being debited or as otherwise agreed. If you request T. Bailey Fund Services Limited to collect a payment, confirmation of the amount and date will be given to you at the time of the request.
- If an error is made in the payment of your Direct Debit by T. Bailey Fund Services Limited or your bank or building society you are entitled to a full and immediate refund of the amount paid from your bank or building society.
- If you receive a refund you are not entitled to, you must pay it back when T. Bailey Fund Services Limited asks you to.
- You can cancel a Direct Debit at any time by simply contacting your bank or building society. Written confirmation may be required. Please also notify us.

The T. Bailey Funds, T. Bailey Fund Services Limited and T. Bailey Asset Management Limited are authorised in the UK and are regulated by the Financial Conduct Authority.

This document is accurate as at **1 October 2015**. The information contained is updated at least annually, but may be updated more frequently. Please check the website (details below) for the most recent version. Calls to T. Bailey will be recorded.

### **Authorised Fund Manager Contact Details**

T. Bailey Fund Services Limited, 64 St. James's Street, Nottingham, NG1 6FJ  
T: 0115 988 8213 F: 0115 9888 222 W: [www.tbailey.co.uk](http://www.tbailey.co.uk)

# ISA Terms and Conditions

The following terms and conditions ("Terms") and the Key Investor Information document together with the completed Application Pack constitute a legal agreement between You and T. Bailey Fund Services Limited that sets out what services We will provide and how We will manage Your individual savings account ("ISA"). The ISA is also governed by the Individual Savings Account Regulations 1998, as amended from time to time, which take precedence over the Terms in the event of any inconsistency. The Terms apply to all T. Bailey ISAs except where indicated otherwise.

## Definitions

"*Application Pack*" means the application pack or transfer form to be completed by You when applying to open or invest in an ISA;

"*Direct Debit Dealing Day*" means the business day on which we request Your Direct Debit payment if applicable (usually the 15<sup>th</sup> calendar day of each month or the following business day if this is not a business day);

"*Eligible Investments*" means the Funds available under the T. Bailey ISA;

"FCA" means the Financial Conduct Authority or any successor body;

"*Fund(s)*" means the T. Bailey Growth Fund or T. Bailey Dynamic Fund, authorised unit trusts or such other funds as are listed in the Prospectus from time to time;

"*Intermediary*" means a person who in the course of any business or profession invites You to make offers or proposals or to take other steps with a view to entering into a ISA;

"*KII*" means the Key Investor Information document describing the nature and risks of investing in the Fund, which investors are advised to read so they can make an informed decision about whether to invest; "Manager" means T. Bailey Fund Services Limited;

"*MiFID*" means Markets in Financial Instruments Directive;

"*ISA*" means the Individual Savings Account, set up and managed under the ISA Regulations and subscribed to by You; From 1 July 2015 all ISAs became ISAs,

"*Prospectus*" means the prospectus of the Fund(s), available on request from T. Bailey;

"*Registrar*" means T. Bailey Fund Services Limited;

"*Regulations*" means the Individual Savings Account Regulations 1998 and/or the Personal Equity Plan Regulations 1989 and any regulations substituted for them, all as from time to time amended or extended and in force;

"*T. Bailey*" means T. Bailey Fund Services Limited, whose registered office is at 64 St. James's Street, Nottingham, NG1 6FJ;

"*Valuation Point*" means the regular valuation time of the Funds as detailed in the Key Investor Information document and Prospectus;

"*We*" or "*Us*" or "*Our*" means T. Bailey;

"*You*" or "*Your*" means the investor named as the applicant on the relevant Application Pack who has opened a ISA.

## 1. Opening a ISA

**1.1** Your T. Bailey ISA will come into force, subject to any rights You may have to withdraw, once we have received and accepted Your Application Pack and valid subscription. We are not obliged to accept any application. You must subscribe using Your own monies.

**1.2** The Funds available for investment in the T. Bailey ISA under these Terms are those listed in the Key Investor Information document. The investment objective of Your ISA will correspond to the investment objective of the underlying Fund(s) in which it is invested.

**1.3** Your account will, subject to the Regulations, be managed by the Manager in accordance with Your directions set out in Your completed Application Pack.

**1.4** The Manager will not advise on the suitability of investments for individual circumstances. If You have any doubt, You should consult Your financial adviser.

**1.5** If We receive Your completed Application Pack prior to the tax year to which it relates, We cannot invest Your monies until the start of the next tax year. In these circumstances, Your subscription monies will be held in a non-interest bearing client account.

**1.6** The maximum You can invest in the 2015/16 tax year is £15,240 in a stocks and shares ISA. There is no maximum for ISA transfers.

**1.7** You will be classed as a retail client of the Manager for regulatory purposes.

## 2. Cancellation Rights

**2.1** You will have the right to cancel Your investment for a period of 14 days from receipt by You of a cancellation notice from Us. You will be sent a cancellation notice with Your purchase contract note. If You then decide to cancel You should return the completed notice. You may not receive back the full amount of Your investment. If the value of the shares has fallen between the date You invested and the date We receive notice to cancel You will receive back the amount You invested, reduced by the fall in value of the Fund in which Your money was invested.

**2.2** Where an investment is cancelled within 14 days of receipt of a cancellation notice the cancelled subscription does not count as a subscription to a ISA. Where a subscription is cancelled after the set period the cancelled subscription does count as a subscription to a ISA (and therefore You cannot subscribe to another ISA of the same type in that tax year).

## 3. Investment of Subscriptions

**3.1** All subscriptions received by the Manager which are not invested in the Fund(s) at the next valuation point will be banked in a non-interest bearing client money bank account no later than the business day after they are received.

**3.2** The Manager will return any part of a subscription for a ISA received that is in excess of the limits under the Regulations or alternatively will invest in the Fund(s) outside of a ISA.

**3.3** Lump sum contributions will be invested in shares of the selected Fund at the next Valuation Point after acceptance by Us of Your completed Application Pack and following receipt by the Manager of written instructions from You. T. Bailey will not retain cash within Your ISA and shall apply all monies received to purchase shares in the appropriate Fund(s).

**3.4** Monthly contributions will only be collected by Direct Debit. The amount less any charges will be invested following the Direct Debit Day subject to the receipt of cleared funds by T. Bailey. On receipt of Your Application Pack and direct debit instructions, it may take 2 to 3 weeks to arrange the Direct Debit and therefore there may be an initial 1 month delay before the first debit is made. No Direct

Debit collection will take place unless the requirements under the anti-money laundering rules referred to in the Prospectus have been met. Where the first monthly contribution is greater than 90 days from the date of acceptance of the Application Pack, We will require You to complete a new Direct Debit mandate prior to the start of the monthly contributions.

**3.5** If You wish to cancel Your Direct Debit, You must send the Manager written instructions at least 5 business days before the next collection date.

**3.6** Provided that at least £1,000 is invested in the ISA, You may suspend Your monthly contributions indefinitely whilst units are retained. If at any time when payment is suspended the total value is less than £1,000 and no other investments are held in the ISA, the Manager reserves the right to terminate the ISA, in which case the units will be sold at the prevailing price on the day the ISA is terminated.

#### **4. Ownership of Investments**

**4.1** All ISA investments shall be held jointly in the name of the Manager and You. You are the beneficial owner of all ISA investments.

**4.2** You undertake not to charge, pledge or use any ISA investment as security for a loan and to remain the beneficial owner of those investments.

**4.3** We or Our appointed nominee will hold all documents evidencing title to investments. We are not permitted to lend any investments, documents of title or other property belonging to You to any third party or borrow money on Your behalf or permit You to borrow money against the security of the investments or documents of title.

#### **5. Transferring to a T. Bailey ISA**

**5.1** You may apply to transfer the cash value of an existing ISA from previous tax years managed by another manager to a T. Bailey ISA by completing an ISA Transfer Instruction Form. Subscriptions to a stocks and shares ISA or a cash ISA can be transferred to another cash ISA, or to a stocks and shares ISA.

**5.2** We will accept Your application on receipt provided that You meet the requirements of these Terms and the Regulations. We will then arrange for the transfer to take place on Your behalf.

**5.3** We reserve the right not to accept a transfer application.

**5.4** The investment of Your transfer proceeds will generally take place at the next Valuation Point after We receive the funds from Your previous manager.

**5.5** The timing of the realisation of Your investments and any rise in the markets whilst the ISA transfer is pending may result in loss that is outside Our control.

**5.6** Once Your ISA has been transferred it shall be subject to these Terms.

**5.7** Any monies received by T. Bailey from Your previous Manager subsequent to the transfer representing dividends etc. will be invested into the relevant T. Bailey ISA if it is above £25. In the case that the monies received are less than this amount T. Bailey may return the monies to Your previous Manager and ask that the monies are forwarded directly to You.

#### **6. Transferring from a T. Bailey ISA**

**6.1** You may at any time by notice to the Manager require that the whole or part (subject to clause 6.3 and 6.4 below) of Your T. Bailey ISA be transferred to another manager who confirms that he agrees to accept the transfer and who is approved in accordance with the Regulations. The transfer will take place at such time as

to be agreed between the parties in accordance with the ISA Regulations relating to transfers. If dealings in the Fund have been suspended in accordance with COLL 7.2 of the Regulations, the minimum period specified by the Manager may be extended to 7 days after the suspension ends.

**6.2** Following receipt of your notice, any investments in Your T. Bailey ISA will be sold so that the proceeds may be transferred to Your new manager in cash.

**6.3** ISA transfers from a stocks and shares ISA can be to another stocks and shares ISA or to a cash ISA. Partial transfers are not permitted for investments made in the current tax year.

**6.4** In the event of a partial transfer, the minimum holding amount per Fund must be retained.

**6.5** Any monies due to You subsequent to the transfer representing dividends etc. will be forwarded to Your new Manager.

#### **7. Switching**

**7.1** You may switch Your holdings to different Eligible Investments by instructing Us in writing. Such switches shall be effected in accordance with the Regulations.

**7.2** Should You decide to transfer only part of Your ISA, We shall have discretion to terminate Your ISA if the remaining investment left in the Funds would be below the minimum holdings for each Fund set out in the Prospectus. In these circumstances We will notify You and give You the option of either transferring the remainder of Your ISA to another ISA Manager or of having the remaining investments sold and the proceeds of the sale paid to You, and give You a time within which to respond. If You do not respond within that time We will sell the remaining Investments in Your ISA and pay the proceeds of the sale to You.

#### **8. Reports**

**8.1** The Manager will provide You with a report twice yearly, as at 31 March and 30 September with details of the number and value of investments held within Your respective ISAs, and details of all transactions undertaken within the ISA during the preceding 6 months. The statements will be posted within 25 business days of the relevant date and will not include any measure of the ISA investment performance.

**8.2** The Manager will provide You with a Manager's Short Report twice yearly, as at 31 March and 30 September. These will be posted by 31 July and 30 November respectively.

**8.3** If You request in writing, We will arrange for You to (i) exercise the rights of a unitholder to attend meetings; (ii) to exercise voting rights at those meetings; and (iii) to receive any other information generally received by shareholders.

#### **9. Income**

**9.1** We will collect all distributions payable by the Fund(s) as soon as practicable. Any distributions of income due to You will be paid or applied as detailed in the Prospectus.

**9.2** Any distributions of income paid to You may be paid gross of tax at the Fund(s) relevant income allocation date.

#### **10. Charges**

**10.1** The Manager is entitled to charge for its services as the operator of the Funds. The details of the current charges are detailed in the Prospectus.

**10.2** Other taxes or costs may exist that are not paid through or imposed by T. Bailey. When effecting transactions with or for You, We may have a material interest in a transaction or a conflict of interest may arise. Nevertheless, We have the right to effect such

transactions without prior notice to You but, in doing so, will not allow any such interest or conflict to stand in the way of achieving fair treatment and best execution for You within the investment powers set out in these Terms. We shall not be liable to account to You for any profit or benefit arising as a result of any such transaction. We ensure fair treatment for You under the rules of the Financial Conduct Authority by disclosing such material interest or conflict of interest, namely that T. Bailey will act as authorised fund manager for the Funds (and as principal) and that T. Bailey Fund Services Limited, which is a related company, will operate as investment manager and Registrar to the Funds.

### **11. Termination and Withdrawal by You**

**11.1** You may at any time, by notice in writing to the Manager, either terminate the ISA or withdraw from the ISA all of the investments or direct the Manager to transfer the entire ISA to another Manager under the provisions of clause 6 above. In the event of the termination or withdrawal of investments by You, the Manager shall make or cause to be made such payments as You may reasonably direct in writing, or as may be required to give effect to such directions within the time stipulated, subject to any reasonable retentions or deductions there from which the Manager may be entitled or bound to make for any purpose, including recovery of expenses properly incurred by the Manager.

**11.2** If dealings in the Fund have been suspended in accordance with COLL 7.2 of the Regulations, the minimum period specified by the Manager may be extended to 7 days after the suspension ends.

**11.3** Where a partial withdrawal is made by You, the minimum holding must be retained.

**11.4** Investments will be sold at the price calculated at the Valuation Point following receipt of Your notice to withdraw or terminate.

### **12. Termination by Us**

**12.1** We have absolute discretion to terminate Your T. Bailey ISA on giving You 1 months' notice in writing.

**12.2** We are entitled to terminate Your T. Bailey ISA immediately and without notice in the following circumstances:

**12.2.1** if We consider that We are unable to administer the T. Bailey ISA in accordance with the Regulations;

**12.2.2** if the ISA is made void as a result of a breach of the regulations; or 12.2.3 if, as a result of a withdrawal, the amount invested within the ISA falls below £1,000.

**12.3** When Your ISA is terminated Your investments will be sold and the cash proceeds will be sent to You or Your new manager.

**12.4** Termination of an ISA will be without prejudice to the completion of incomplete transactions undertaken as part of that ISA.

### **13. Termination on Death**

**13.1** Upon Your death Your ISA automatically terminates in accordance with the Regulations.

**13.2** We will accept instructions from Your legally appointed personal representative on receipt of a Death Certificate or equivalent and/or a Grant of Probate or Letters of Administration.

**13.3** Tax credits accruing to Your ISA after the date of Your death will be repaid to HM Revenue & Customs.

**13.4** These Terms will continue to bind Your personal representatives.

### **14. Settlement**

**14.1** Settlement on termination or withdrawal from the ISA will usually take place no later than 4 business days following the Valuation Point following receipt of Your instruction. Where a withdrawal is requested shortly after a subscription is made, the Manager will make settlement of funds once assured of cleared funds in respect of that payment.

**14.2** All settlements are subject to reasonable verification of signature or instruction and the settlement amount will be held in a non-interest bearing client account pending such verification.

**14.3** Settlement to a third party will only be made on death (see clause 13 above) or when transferring to another manager (see clause 6 above). Third party payments will only be made to individuals holding powers of attorney if they operate a client money account.

### **15. Void and Invalid ISAs**

Your T. Bailey ISA will terminate automatically if it is made void under the Regulations by reason of any failure to satisfy the Regulations. The Manager will notify You in writing should this occur.

### **16. Intermediaries**

**16.1** In respect of ISA transactions undertaken through an Intermediary, that Intermediary will be treated as Your agent. Relevant contract notes and confirmations will be copied to the Intermediary.

**16.2** You are only able to have one Intermediary allocated to Your ISA. If You wish to change Your Intermediary, written instructions to the Manager will be required.

### **17. Liability**

**17.1** The Manager shall exercise due care and diligence in the management of all T. Bailey ISAs.

**17.2** Subject to the Regulations and to the Financial Services and Markets Act 2000, We shall not be liable to You for any costs, claims, demands, losses or expenses suffered by or arising from any depreciation in the value of the ISA, or for acts or omissions of the Manager or of any third party whether or not that third party is acting as agent of the Manager except in so far as the same arises as a result of negligence or wilful default.

**17.3** We shall not be liable for negligence or wilful default of the Registrar, its servants or agents.

**17.4** We accept no responsibility for any loss or delay caused in the transfer of payment to Us of any monies to be invested in Your ISA.

**17.5** You hereby agree to indemnify Us against any liabilities that may be incurred in connection with Your T. Bailey ISA other than those caused by Our negligence or a material breach of the Regulations or these Terms.

### **18. Delegation**

We may delegate any of Our functions or responsibilities arising under these Terms to a third party that We are satisfied is competent to perform those functions and responsibilities.



## 19. Data Protection

**19.1** You agree to Us processing the personal data that You provide to Us in accordance with the terms of the Data Protection Act 1998.

**19.2** The personal information that You provide to Us will be used for a number of purposes, including: to comply with legal and regulatory requirements; to manage and administer Your investments; to identify You when You contact Us; to contact You with changes to T. Bailey products; to offer You investment products and services offered by T. Bailey (except where You have requested Us not to do so); for internal analysis and reports. You undertake to inform Us immediately of any change in the information given in respect of the ISA or if any of the declarations in the Application Pack are no longer true.

**19.3** We may share Your personal data with Your Intermediary (unless You have otherwise notified Us in writing), other organisations to comply with legal and regulatory requirements, other members of the T. Bailey group of companies to be used for the purposes described in 19.2 above, and with credit reference agencies.

**19.4** You have the right to request (on the payment of the appropriate fee) a copy of the personal data that We hold on You.

## 20. Anti Money Laundering

The Manager is required under the anti-money laundering regulations referred to in the Application Pack to verify the identity of its investors. Until We receive satisfactory evidence of identity We may delay the processing of Your instruction and/or payments due to You.

## 21. Tax Reclaims

You authorise the Manager to apply to HM Revenue & Customs on Your behalf to make all appropriate claims of repayment of, or credit against, tax in respect of shares held under a ISA and income arising there from. For this purpose You authorise the Manager to provide HM Revenue & Customs with all relevant particulars and certificates as may be requested under the Regulations.

## 22. Client Money

Cash may be held for you in a client money account in the UK with an authorised bank in accordance with the FCA's client money rules. The bank will hold the cash on behalf of T. Bailey in an account separate from any account used to hold money belonging to us in our own right. T. Bailey will not be responsible for any acts or omissions of the bank. If the bank becomes insolvent, we will have a claim on behalf of our clients against the bank. If the bank cannot repay all of its creditors, any shortfall may have to be shared pro-rata between them. If T. Bailey was to become insolvent, any cash not held in a client money account may be treated as our own funds and this may delay any return of cash to you. No interest is earned or paid on any balances in a client money account.

We may cease to treat cash held for you in a client money account as your cash if we have held it for you for a period of not less than six years and, having taken all reasonable steps (as outlined in the FCA rules), we are unable to contact you. In such circumstances, that cash can be paid to charity (but please note that we would still pay all amounts due to you should you later re-establish contact with us).

## 23. Instructions and Notices

**23.1** Any instructions or notices from You to Us must be in writing, signed by You and sent to the Manager at the address specified in the attached Application Pack.

**23.2** We are entitled at Our discretion, to treat as valid instructions given by You or on Your behalf even if the instruction is not in writing.

**23.3** Save in the case of wilful wrongdoing or negligence of Our employees or agents, We will not accept any liability and are entitled to treat as valid any instruction given to Us as a result of the negligence or wrongdoing of another person.

**23.4** Instructions received will not be acknowledged by the Manager unless the Manager is specifically requested to give such acknowledgement. You will be sent contract notes as evidence of the investment within 1 business day after transactions take place.

**23.5** Any document, cheque or notice sent to You in accordance with these Terms will be sent at Your risk to the address last notified to Us. It will be deemed received on the second day after posting.

**23.6** We or Our agents may contact You by telephone to obtain instructions in relation to Your T. Bailey ISA. Telephone calls may be recorded.

## 24. Complaints and Compensation

**24.1** Any complaints in relation to Your investments and their operation should be sent to the Manager (marked for the attention of the Compliance Officer). If You do not receive a satisfactory final response, You may refer Your complaint to the Financial Ombudsman Service (details are published in the Prospectus). Making a complaint will not affect Your rights to take legal proceedings.

**24.2** In the event that the Manager was unable to meet its financial liabilities to You, You may be entitled to compensation under the Financial Services Compensation Scheme established under the Financial Services and Markets Act 2000. Further details of this scheme can be obtained directly from the Financial Services Compensation Scheme.

**24.3** We are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if We cannot meet Our obligations. This depends on the type of business and the circumstances of the claim. Most types of investment business are covered for 100% of the first £50,000 so the maximum compensation is £50,000. Further information about compensation arrangements is available from the Financial Services Compensation Scheme.

## 25. Best Execution

**25.1** We have in place arrangements to enable us to deliver best execution, including an Order Execution Policy. Information about this Order Execution Policy is set out below. Any material changes to the description of our best execution arrangements and Order Execution Policy will be included in a revision to the Prospectus and these ISA Terms and Conditions, the latest copies of which can be found at [www.tbailey.co.uk](http://www.tbailey.co.uk)

**25.2** In relation to Your ISA investment, Our obligation to deliver best execution will be met by Us investing Your Subscription into the Fund(s) at the first dealing point following Us receiving Your Subscription provided We have accepted your instructions. In the case of ISA transfers, We will invest the amount received from the existing ISA Manager at the first dealing point following receipt provided We have accepted Your instructions.

**25.3** In Our role as Manager of the Funds, Our obligation to deliver best execution extends to the level of deals placed on behalf of the Funds in underlying investments (i.e. in sub funds or other investments).

**25.4** General details of Our Order Execution Policy as it relates to both of the above are set out below.

**25.4.1** When We execute an order on Your behalf, We will, subject to any specific instructions that You give us, take all reasonable steps to obtain the best possible result for You in accordance with MiFID, taking into account the factors identified below. When We quote or negotiate with You the terms of a transaction in which We or an affiliate of the Firm (an "Affiliate") are willing to deal with You as principal for our own account or the Affiliate's account, We will not be executing an order on Your behalf and therefore best execution will not apply, unless You request otherwise and We agree to such request.

**25.4.2** If You give us specific instructions as to how You wish an order to be executed that We accept, We will follow those instructions. This may prevent us from taking the steps that We have designed and implemented to obtain the best possible result for the execution of Your orders.

**25.4.3** Execution venues which we will access for You are regulated markets and multilateral trading facilities. We may also use market makers and non-EEA entities performing a similar function to any of the above.

**25.4.4** We will include those execution venues that We believe enable us to obtain on a consistent basis the best possible result for the execution of orders. We may also transmit an order to another broker or dealer for execution, in which case We will either determine the ultimate execution venue ourselves on the basis described here and instruct the other broker or dealer accordingly; or We will satisfy ourselves that the other broker or dealer has arrangements in place to enable us to comply with our best execution obligations to you.

**25.4.5** Subject to any specific instructions that We accept from You, We will take into account a range of factors in deciding where to execute an order. These include price, costs, speed likelihood of execution and settlement, together with any other consideration relevant to the execution of the order. In determining the relative importance of these factors We will take into account the nature of any order, the characteristics of the financial instruments to which the order relates and the characteristics of the execution venues to which the order can be directed.

**25.4.6** We will generally give the highest priority to total consideration, representing the price of the relevant financial instruments and the costs related to execution. However, We may at our discretion prioritise other factors, including the impact on market prices of displaying and executing an order, the speed and likelihood of execution and the availability of price improvement. We may prioritise such other factors where there is insufficient immediately available liquidity on the relevant execution venue to execute an order in full or where We determine that there are other circumstances such that obtaining the best immediately available price may not be the best possible result for You.

**25.4.7** In determining what is the best possible result for You, We will not compare the results that can be achieved on the basis of our Order Execution Policy and fees with results that might be achieved for You by another investment firm on the basis of that firm's order execution policy or a different structure of commission or fees, nor will We compare the differences in our own commissions or fees which are attributable to the nature of the services that We provide to You.

**25.4.8** We will monitor the effectiveness of our best execution arrangements on an ongoing basis to identify and implement any appropriate enhancements. In addition, We will regularly review whether the execution venues included in the Order Execution Policy and the brokers and dealers to whom We transmit orders for execution provide for the best possible result for You on a consistent basis and whether We need to make changes to our best execution arrangements.

**25.4.9** From time to time it may be expeditious for us to carry out an order for You (or for our own account) in aggregation with another client order. This will only occur in circumstances where it is unlikely that the aggregation of orders and transactions will work

overall to the disadvantage of any client whose order is to be aggregated. Where orders are aggregated, the allocation and treatment of partial executions will be dealt with pro rata to the value of each client's order.

## **26. Conflicts of interest**

**26.1** A conflict of interest can arise either between Our interests and Your interests, or between the different interests of several of Our clients. Our approach is always to endeavour to prevent conflicts occurring and ensure that You are treated fairly at all times. With this in mind We have implemented a "Conflicts of Interest Policy" which is designed to prevent, detect and manage any conflict which may arise.

**26.2** In the unlikely event that a conflict of interest does arise in which We reasonably believe that there is a risk of damage to Your interests which cannot be averted by the measures implemented in accordance with our Conflicts of Interest Policy, we will notify you of any such conflict.

**26.3** We monitor conflicts of interest on an ongoing basis. We are obliged to maintain a record of any conflicts of interest which arise or may arise in the course of our business activities. Further details concerning our Conflicts of Interest Policy are available on request.

## **27. Alteration to Terms**

**27.1** Subject to the Regulations and the FCA Handbook, the Manager may, in its absolute discretion, vary alter or amend any of these Terms by giving You at least 14 days' notice in writing.

**27.2** Changes to Regulations which make it impossible for Us to follow these Terms will be deemed to have been incorporated into these Terms as soon as they take effect in law. Where transitional rules are involved, the changes will be incorporated into the Terms on such date as We decide.

## **28. Regulators**

T. Bailey Fund Services Limited is authorised and regulated by the FCA and approved as an Account Manager under the ISA Regulations. T. Bailey Fund Services Limited is entered on the FCA Register and its registration number is 190293.

## **29. Governing law**

These Terms are governed by the Laws of England and Wales and subject to the exclusive jurisdiction of the English courts. The Contracts (Rights of Third Parties) Act 1999 will not apply To these Terms.

# JISA Supplementary Terms and Conditions

The terms and conditions below should be read in conjunction with the ISA terms and conditions. JISAs are subject to some additional/different rules compared to ISAs. Whilst many references in the ISA terms and conditions to a ISA can generally be read as applying equally to a JISA, JISA investors should also read the information below, and where the information is different (e.g. annual investment limits) the below terms and conditions take precedent for JISAs. The JISA operates within the ISA Regulations 1998 as amended from time to time (the "Regulations").

## Definitions

"Eligible Child" means a UK resident under the age of 18, who was born after 3 January 2011 or who is not eligible for a Child Trust Fund and who otherwise satisfies the conditions for eligibility in the Regulations.

"JISA" means the Junior Individual Savings Account, set up under the Regulations and applied for by You.

"JISA Application Pack" means the application pack or transfer form to be completed by You when applying to open or invest in a JISA.

"JISA Investor" means the Eligible Child in who's name the JISA will be registered.

"Registered Contact" means a person who is over 16, and is either the Eligible Child or an individual with parental responsibility for the Eligible Child. All correspondence in relation to the JISA will be sent to the Registered Contact.

## 1. Opening a JISA

**1.1** A JISA Application Pack can be completed by a Registered Contact on behalf of an Eligible Child or by the Eligible Child themselves if they are over 16.

**1.2** Subscriptions to a JISA are gifts and cannot be recovered if at a later date the subscriber changes their mind.

**1.3** Subscriptions can be made to a JISA by multiple individuals (i.e. not just the Registered Contact) provided the JISA subscription limit is not exceeded (see clause 1.4 below). The person subscribing need not be resident in the UK, nor do they need to be related to the Eligible Child. It is the responsibility of the Registered Contact to advise other donors that subscriptions are gifts and cannot be recovered. We are under no obligation to notify the Registered Contact of the identity of additional donors unless required by the Regulations.

**1.4** The maximum that can be invested in the 2015/16 tax year is £4,080 per child in a JISA. This amount can be invested in total in either a cash JISA or a stocks and shares JISA or split between one of each type. Any part of the limit which is unused is lost and cannot be carried forward or back to other years.

**1.5** When opening a JISA We may rely on the declaration of eligibility given by the Registered Contact in the Application Pack. We may ask for proof and We reserve the right to refuse an application if the information given in the Application Pack is incomplete or if We believe that any information given in the Application Pack is incorrect.

## 2. Ownership of Investments

**2.1** All JISA investments are held in the sole name of the JISA Investor (i.e. for the beneficial ownership of the Eligible Child).

## 3. Transferring to/ from a T. Bailey JISA

**3.1** On the instructions of the Registered Contact the JISA shall be transferred to another provider. We may refuse to accept a transfer from any other JISA manager.

**3.2** Stocks and shares JISAs can be transferred to another stocks and shares JISA or to a cash JISA. Cash JISAs can be transferred to another cash JISA or to a stocks and shares JISA.

**3.3** JISA transfers from one stocks and shares JISA to another stocks and shares JISA must be made in full as a JISA Investor may only hold one stocks and shares JISA at any time.

**3.4** Where a JISA transfer is made between JISA types, previous years' JISA subscriptions can be transferred in full or in part. Current years' JISA subscriptions must be transferred in full.

**3.5** A JISA account may not be transferred from one investor to another.

## 4. Income

**4.1** JISA investments will be made into accumulation rather than income units.

## 5. Termination and Withdrawal

**5.1** In all circumstances other than death or terminal illness of the Eligible Child, a JISA must run until the Eligible Child's 18th birthday, although as with ISAs, accounts can be transferred between account managers (see clause 3.1 above). Where all of the investments in a JISA have been transferred, We may close the remaining nil balance account.

**5.2** Once the Eligible Child reaches 18, the JISA will automatically be transferred to a ISA. At this point our ISA Terms and Conditions apply (i.e. without the JISA Supplementary Terms and Conditions) and We will write to the Eligible Child requesting that they complete our standard ISA account opening forms, including providing their NINO (if they have one) and making the standard ISA declaration and authority in accordance with the Regulations.

**5.3** No withdrawals from the JISA shall be permitted until the Eligible Child reaches 18 and instructs us to withdraw on closure of the JISA.

**5.4** The only amounts that can be withdrawn prior to the Eligible Child's 18th birthday are to meet certain provider management charges and other specific expenses, or where the Eligible Child is terminally ill.

## 6. Termination on Death

**6.1** Should the Eligible Child die before they reach 18 the JISA will close and the investments will become part of the child's estate.

**6.2** Proof of the death of the Eligible Child must be provided before the JISA can be closed.

**6.3** Any subscriptions made after the date of death are not valid subscriptions to the JISA. When an Eligible Child dies any income or gains arising in respect of the investments in their JISA arising after the date of death are not exempt from tax.

## 7. Eligible Child

**7.1** Providing the Eligible Child has reached the age of 16, they can apply to become the Registered Contact on the JISA. See clause 8.5.

## **8. Registered Contact**

**8.1** Contract notes, statements, reports and accounts and all other account correspondence in relation to the JISA will be sent to the Registered Contact until such time as the Eligible Child reaches 18, unless the Eligible Child has requested to become the Registered Contact in accordance with clause 8.5, or we have accepted a JISA Application Pack from an Eligible Child over the age of 16, in which case we will send all correspondence to the Eligible Child who will also be the Registered Contact.

**8.2** We shall only accept instructions concerning the management of the JISA from the Registered Contact (in certain circumstances this may also be the Eligible Child, see clause 8.1).

**8.3** There can only be one Registered Contact for an account at any time.

**8.4** The role of Registered Contact can be passed to another person with parental responsibility. In most circumstances Registered Contact status can only be passed with the consent of the existing Registered Contact. See clauses 8.7 to 8.9.

**8.5** If the Eligible Child between the ages of 16 and 18 applies to become the Registered Contact this does not require the consent of the existing Registered Contact (subject to an exception for children suffering mental disorder). Once the Eligible Child (i.e. the JISA Investor) has assumed Registered Contact status this cannot be passed on to another person (unless the child later suffers from mental disorder).

**8.6** We may refuse an application from the Eligible Child to become the Registered contact which is incomplete or where in our reasonable opinion the information appears incorrect.

**8.7** An application to be Registered Contact must contain the applicant's title (if any), first name, surname and middle initials, the applicant's address, including postcode, the child's title (if any), first name, surname and middle initials, the child's address, including postcode, the child's date of birth and the child's NINO (if they are aged over 16 and they have one). Applicants for Registered Contact status must also make certain declarations in line with those made by the original Registered Contact in the JISA Application Pack. We will write to applicants outlining these declarations at the time the application is made.

**8.8** We may refuse an application to become the Registered Contact which is incomplete or where in our reasonable opinion the information appears incorrect.

**8.9** A change in Registered Contact to someone who is not the Eligible Child will not normally be made unless consent of the Existing Registered Contact has been obtained (but see clause 8.10 for exemptions to this).

**8.10** Consent of the existing Registered Contact is not needed in the following additional cases:

**8.10.1** On the death or incapacity of the existing Registered Contact,

**8.10.2** Where the existing Registered Contact lacks capacity,

**8.10.3** Where the existing Registered Contact cannot be contacted,

**8.10.4** Where a Court order brings to an end the existing Registered Contact being a person with parental responsibility for the Eligible Child,

**8.10.5** Where a Court has appointed a Guardian or a Special Guardian of the Eligible Child,

**8.10.6** Where a Court orders that the person who is the existing Registered Contact ceases to be so, or

**8.10.7** Where the new Registered Contact has adopted the child under an adoption order.

In such cases We will need to satisfy ourselves that this the exemption applies, by examining suitable documentation.

**8.11** A JISA account cannot be operated under a Power of Attorney for the Registered Contact.

**8.12** If We are contacted by a person wishing to become the Registered Contact for a JISA and that person asks Us for details of the existing Registered Contact we are under no obligation to release this information.

**8.13** Where an adoptive parent tells Us that they want to become the Registered Contact We would not give details of the existing Registered Contact or seek the agreement of the existing Registered Contact to the change. Once We are satisfied that the applicant has adopted the child, We would update Our systems to ensure all correspondence only goes to the correct contact.

## **9. Anti Money Laundering**

**9.1** Simplified due diligence can apply to the opening of a JISA so full Money Laundering checks are not required on the Eligible Child, the Registered Contact or anyone else subscribing to the JISA.

**9.2** When an Eligible Child reaches 18, we will write to them requesting Anti Money Laundering Documentation alongside a request that they complete our standard ISA account opening forms (see clause 5.2).