

# Terms and Conditions of the Cofunds Junior Investment ISA

This document relates to the Cofunds Junior Investment ISA.  
This is the only product available on the Cofunds platform for  
a person under the age of 18.

## **JISA0417**

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## **Changes from the last version of the Terms & Conditions of the Cofunds Junior Investment ISA**

This version of the Terms and Conditions of the Cofunds Junior Investment ISA (JISA) is 0417 and replaces the previous version 1216. Any changes made to this version override all previous content and are binding on you. This means that the services described will be carried out by Cofunds as explained in this version and not as explained in any previous version of the Terms and Conditions you've previously held.

## Introduction

To open the account the customer must have parental responsibility for an eligible child, or be the child provided you are aged 16 or 17 and wish to operate the account yourself.

This product is a stocks and shares JISA that can be used to invest in Commission-free Share Class Funds available on the Cofunds platform in a tax-efficient way.

### About this document

Please read this document carefully and keep it in a safe place for future reference. It contains the Terms and Conditions of the Cofunds JISA. These form the legal agreement between you and Cofunds. They set out what you can expect from the Cofunds Platform and explain your rights and responsibilities. The Terms and Conditions in this document replace any previous versions you may have received for the Cofunds Platform.

### Words and phrases with a particular meaning

In this document, some words and phrases have a particular meaning. That's unless it is obvious from the context that we mean something else. You will find a list of these words and phrases, and an explanation of what they mean (their definitions), on pages 22 to 23. They are part of the Terms and Conditions, so you should take the time to read and understand them.

### Making it clear

We have done our best to make the Terms and Conditions clear. Where you see the \* symbol we are giving you extra information to help explain some of the more complicated sections or highlight information you might find useful. We hope you find this helpful, but please note that this extra information is not itself part of the Terms and Conditions.

### If you have questions

If you have questions about anything in this document, please contact your Nominated Intermediary. We can't give you financial advice. You can contact us by writing to our Administration Address at Cofunds Limited, PO Box 1103, Chelmsford CM99 2XY.

### Sections that aren't applicable until further notice

**We've added in Sections A9, A10, A11 and A12 that won't apply to investors in the Junior ISA until further notice. There is also information in those sections relating to processes and services that aren't currently available to investors in a JISA (for example, a Cash Account). However, we do plan to introduce charging on this product in the future, so have left the information to indicate the standard terms and processes that we apply to charging on other products. Although the processes and charges may not be exactly the same when we introduce the charging on your JISA, they're likely to be very similar. We think it's fairer to you to leave this information available so that you can see what charges might be applied in the future. We'll provide you with advance notice in line with our obligations set out in Section A16 before applying any charges or other changes to your Terms & Conditions.**

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# Part A

## Applies to everyone

These Terms and Conditions, together with whichever Customer Agreements apply to the products in which you invest, set out the legal agreement that applies to your investment through the Cofunds Platform.

### Getting started

## A1 About Cofunds

### 1.1 General

Cofunds provides facilities for investing in Funds from a range of different providers and for keeping track of your investment.

You can use Cofunds to invest through the Cofunds JISA and make additional investments and switch.

A Child can only hold one stocks and shares JISA and one cash JISA up to their 18th birthday. Cofunds only offer the stocks and shares JISA. You must ensure that investments to both types of account do not exceed the annual subscription limit for that Year. By accepting your investment in the JISA, we agree to act as ISA Manager for your Account. We make all necessary claims for tax relief relating to your Account and the Assets held in it.

Cofunds complements the service provided by your Nominated Intermediary.

Cofunds does not review your portfolio and does not give advice about investments.

All transactions through Cofunds, and all reporting by Cofunds on your investments, are arranged through your Nominated Intermediary.

Due to HMRC Rules, you won't be able to withdraw any investments or close the account - but you may switch Funds, and if desired, transfer the JISA to another ISA manager.

### 1.2 How you can contact us

You can contact us by writing to Cofunds Limited, PO Box 1103, Chelmsford CM99 2XY.

### 1.3 Information we need from you

We need you to give us information that is relevant to managing your Account.

You must let us know as soon as possible if the permanent residential address of the Child or Registered Contact has changed, and if you change Nominated Intermediary. We need confirmation from your Nominated Intermediary of your identity.

### 1.4 Who Regulates Cofunds?

We are authorised and regulated by the Financial Conduct Authority (the FCA) for investment business.

Our FCA registration number is 194734. You can check this at [www.fca.org.uk/register](http://www.fca.org.uk/register) or by calling the FCA on 0800 111 6768.

### 1.5 What that means for your protection

We treat you as a "retail client" under FCA rules. This means you get the highest level of regulatory protection available under those rules as amended from time to time.

## A2 Your Nominated Intermediary

### 2.1 The role that your Nominated Intermediary plays

You need a Nominated Intermediary to use Cofunds. You tell us who your Nominated Intermediary is as part of your Application to us, and their role is to deal with Cofunds on your behalf.

### 2.2 Our right to rely on your Nominated Intermediary

We can rely on anything your Nominated Intermediary tells us or asks us to do on your behalf, or that we reasonably think they have told us or asked us to do on your behalf. We can also give your Nominated Intermediary information about you and your Account.

Once we're made aware that you don't have a Nominated Intermediary or Nominated Adviser we'll write to you to inform you of the available options.

### 2.3 Your right to appoint a new Nominated Intermediary

You can appoint a new Nominated Intermediary whenever you want to by writing to us at our Administration Address. You'll need to include your Cofunds Client Reference number. We'll stop dealing with your old Nominated Intermediary and start dealing with your new one when we receive your letter and process your instruction at our Administration Address.

If you want to replace your Nominated Intermediary we can give you information about other Intermediaries who might be able to help you. This doesn't mean we think they are right for you or will give you suitable advice.

### 2.4 What a new Nominated Intermediary might mean for you

#### 2.4.1 Different Share Class availability

If you move to a new Nominated Intermediary, the Funds and Share Classes they have available may be different to that of your old Intermediary.

If the cost of a Commission-free Share Class Fund is different with your new Nominated Intermediary (i.e. they have a different Share Class available) from your old Intermediary, we will carry out a Share Class Conversion into the new, differently-priced Commission-free Share Class. See Section A6.4.1 for more information on Share Class Conversion.

#### 2.4.2 Different Platform Charge (not applicable until further notice)

In some circumstances changing your Nominated Intermediary could affect what Platform Charge you pay – please see Section A9.1.

## A3 Your Cofunds Account and your JISA

### 3.1 Making a JISA Application

All Applications must be made in writing. Your Cofunds JISA Account is opened when we accept your correctly completed JISA Application and payment. You need to be assigned to our Terms and Conditions of the Cofunds Platform before you can apply for a JISA. Your application will be rejected if your choice of Funds is unclear or unavailable within this product.

Your JISA Application covers the current Year and each subsequent Year until the Child reaches 18 years of age following which the account will become an adult ISA. See Clause 3.11 'Aged 18' for more information.

If for any reason there is a problem with your Application (for example you haven't given us all the information we asked for) we'll let your Nominated Intermediary know as soon as possible. Where this happens it might mean any investment you've asked us to make is delayed or rejected.

When your Application has been accepted, we'll make the investments you've requested and these will be invested in the Commission-free Share Class that is available through your Nominated Intermediary. Please see Section A6 Safe Custody. We'll also set up any Regular Investments you've asked us to.

### 3.2 Our Role as ISA Manager

We are the ISA Manager for your JISA Account. We make claims for tax relief relating to your JISA Account and the Assets held in it.

### 3.3 ISA Regulations

We'll manage your JISA as required under the ISA Regulations.

### 3.4 JISA Applications

We open your JISA Account when we accept your JISA Application and payment. If you don't give us clear instructions on your Application we can put your payment into your Cash Reserve.

Your JISA Application covers the current Tax Year and each Tax Year after that.

If you set up a Direct Debit instruction we will collect and invest regular payments for you until you ask us to stop.

### 3.5 Investment Funds to JISA applications

Other investments on the Cofunds platform in the name of the Registered Contact or other party can be sold and the proceeds used to subscribe to a JISA.

On receipt of an instruction from the account holder of the investment, we'll sell the investment funds and apply the proceeds as a subscription into your JISA. New Commission-free Share Class Funds will then be purchased within your JISA.

Forward pricing (which is explained in A6.3) means we have to estimate how many Units to sell from each Fund to move the amount you want and we can't guarantee you'll get the exact amount you asked for. You might get more or less.

In the event of an oversell of Units, we'll pay the proceeds to the Cash Account of the Investment Funds holding, if requested on the application form to do so. If no instruction is received we'll reinvest the proceeds into the highest value Fund in the Investment Funds holding.

All sale proceeds will be held by Cofunds and will normally be reinvested into your JISA one Business Day from when Cofunds initiates the transaction.

If you want to make sure we Reinvest the money into your JISA in the current Tax Year, you must make sure we get your application no less than five Business Days before the end of the Tax Year.

### 3.6 Tax status

You may not open the JISA Account if the Child is not resident in the UK for tax purposes unless they qualify as a Crown employee or are the spouse or Civil partner or dependent of a Crown employee. If they stop being a Crown employee, or the spouse or civil partner or dependent of one, you must tell us right away.

If after opening the Account the Child becomes non-resident you may continue to make investments and switch Funds.

\* A Crown employee is a person holding public office or employment under the Crown and paid out of the public revenue of the UK or of Northern Ireland. That might include a diplomat for example, or any other kind of civil servant working for the UK government overseas.

No income tax or capital gains tax arises in respect of the Junior ISA. There is no need to declare any gains or income received in the Junior ISA to HMRC and any income generated from parental subscriptions does not count towards the parent's income.

When the Junior ISA plan value is paid out to the child at the age of 18, the lump sum is free of any tax charge. Current tax laws and HMRC rules are subject to change in the future and may reduce the tax benefits of your Stocks and Shares Junior ISA.

### 3.7 If your JISA loses its tax exempt status

Your JISA can lose its tax exempt status if the ISA regulations are not satisfied. If this happens we will write to let you know. We will sell all the investments in the JISA, and after taking off enough money to cover any tax which may be due to HM Revenue & Customs on your behalf, we'll pay you the balance, along with any money left in your Cash Reserve. We won't pay any interest on the money in the Cash Reserve.

If you make a payment into your JISA by a cheque that fails to clear or a Direct Debit that has to be reversed, under these Terms and Conditions and the ISA Regulations we'll treat that payment as though it had never been made.

### 3.8 Account type

For an investment held under these Terms, all stocks and shares JISA investments will be designated "Cofunds Junior Investment ISA". Cofunds does not offer a cash JISA.

### 3.9 Registered Contact

There can only be one Registered Contact at any time. The first Registered Contact will be the person making the Application to open the JISA provided they are aged over 16. They will either have parental responsibility for the Child, or be the Child.

A JISA cannot be operated under a Power of Attorney for the Registered Contact. The Registered Contact will remain in place until a replacement is appointed. In the meantime any subscriptions by direct debit will continue to be collected until we receive instructions from the payer for them to stop. Where we become aware that the Registered Contact no longer has parental responsibility for the Child, no further instructions will be taken from this person or their Nominated Intermediary and any subscriptions by direct debit will cease.

An application to replace the Registered Contact must be in writing by completing the 'Change in Registered Contact Form' which will normally require the consent of the existing Registered Contact.

The Registered Contact will need to be replaced (without their consent) in the following circumstances: death or incapacity, they cannot be contacted, Court order or Court appointment, adoption order. The 'Change in Registered Contact Form' should still be completed and evidence provided.

As part of their application the replacement Registered Contact must appoint a Nominated Intermediary. This could be the Nominated Intermediary already set up on the Account or you may choose to appoint a replacement. If the Registered Contact does not nominate a new Intermediary the existing Intermediary relationship for the account will continue. Refer to section 6 for further information.

### 3.10 Child aged 16 - 18

**Existing Accounts:** At aged 16, provided the Child does not suffer from a mental incapacity, they can apply to be the Registered Contact of their Account by completing the 'Change in Registered Contact Form'. The agreement of the existing Registered Contact is not required. On assuming this responsibility the Child will manage the Account in place of the previous Registered Contact who will cease to be entitled to information concerning the Account.

**New Accounts:** An eligible Child aged 16 to 18 may apply to open a Cofunds JISA in their own right provided they do not already hold a stocks and shares JISA or a Child Trust Fund.

**Authorities:** Under the ISA Regulations, for the purpose of opening and operating a JISA, the signature of the Child aged 16 to 18 (as beneficial owner or Registered Contact) has effect as if they were 18 years or over. In the Year leading up to their 18th birthday the Child will be entitled to subscribe the full JISA allowance for that Year. In order to ensure that all outstanding JISA transactions are completed before the Child turns 18 any new applications, subscriptions, fund switches or transfer instructions must be received no less than five business days before the 18th birthday.

### 3.11 Aged 18

At age 18, any existing direct debit payments will cease and the Cofunds JISA will convert to the Cofunds Investment ISA and remain in a tax-efficient wrapper. At this point the Cofunds JISA Terms and Conditions will no longer apply and the Child will have the right to withdraw their investments. We will contact the Child shortly before their 18th birthday to inform them of their options.

Once the JISA has converted to an ISA it will be subject to the standard Cofunds Platform Charge applicable to your investments, and any charges taken through Cofunds by your Intermediary will also apply.

ISA subscriptions are subject to the Terms and Conditions of the Cofunds Platform for the relevant Service Type unless otherwise advised by your intermediary. No further subscriptions (lump sum or direct debit) can be made until the Child has made an ISA application for that Year.

### 3.12 Timing

These Terms and Conditions take effect if we accept your Application. This normally happens on the day we receive it, but we can reject an application.

If you are transferring your JISA or CTF from another manager, the date of transfer is the date agreed between the managers (this should not exceed 30 calendar days from when we receive your request).

### 3.13 Cash Reserve

When you open an ISA with Cofunds you can ask us to open a Cash Reserve for you within the ISA. You can hold cash in your ISA in the Cash Reserve, which gives you flexibility to take money out of the market and invest in cash as you wish. This account pays interest monthly provided that you do not withdraw all of your Cash Reserve holding during that month.

[www.cofunds.co.uk/docs/gbub/cofundinterestrates](https://www.cofunds.co.uk/docs/gbub/cofundinterestrates)

See Sections A5.1 and A5.3 for more information on how interest is paid on the Cash Reserve.

#### 3.13.1 Cash Reserve and Rebates

Please note that we won't pay Unit Rebates into your Cash Reserve, even if it is the largest holding in the Commission-free Share Class. Instead, we'll pay any Unit Rebates due into the largest Commission-free Share Class Fund held in your JISA.

### 3.14 Information and voting rights for your JISA investments

#### 3.14.1 Reports, notices, meetings and voting

You can download copies of reports and accounts for investments in your JISA from:

[https://investors.cofunds.co.uk/investors/reports\\_and\\_Accounts\\_investors.aspx](https://investors.cofunds.co.uk/investors/reports_and_Accounts_investors.aspx)

We don't charge for this.

If you'd like paper copies, speak to your Nominated Intermediary, or if you write to us at our Administration Address we can arrange for you to be sent a copy of the annual report and accounts for each Fund you are invested in.

We won't exercise voting rights for any of your investments unless you ask us to at the time you buy them. In that case we'll tell you when there is a voting event. The weighting of your vote relates to the number of Units you hold.

We charge you £20 per Fund each time you ask us to vote. This is to cover our administration costs and we can take it out of the money in your Account. We send any other notices from Funds to you direct, or with your statements.



### 3.15 If you want to transfer your JISA away from Cofunds

Upon instructions, and in the time specified by you, Cofunds will transfer your entire JISA, with all your rights and obligations under it, to a stocks and shares and/or cash JISA with an ISA Manager. The ISA Manager must agree to accept the transfer provided this does not lead you to having more than one stocks and shares JISA and one cash JISA.

You must transfer your Cofunds JISA in full and not in part. If you wish to transfer your Cofunds JISA to another JISA, you need to make a formal request through your new ISA Manager.

Your Cofunds JISA can be transferred in cash, or re-registered, please speak to your new plan manager for more information. Where a JISA is transferred in cash, we will sell all Assets and deduct any amounts due to us. If we subsequently receive any Income arising from Investments transferred out, these will be reinvested into the previously held fund. As a result of the transfer to your new ISA manager we will send any amount reinvested to your new account, provided they accept it.

These Terms continue to apply until the transfer is complete, all outstanding transactions have been settled and all liabilities met.

Cofunds will require a completed transfer instruction from your new ISA manager.

Cofunds will re-register your assets where requested, by your new Plan Manager. See Section A13.4 Re-registration off Cofunds for more details.

### 3.16 Transferring a Junior ISA or Child Trust Fund to us from another manager

You can transfer a Junior ISA (JISA) or Child Trust Fund (CTF) that the Child has with another manager to us.

We can accept the transfer of:

- all of an existing stocks and shares JISA.
- All or part of an existing cash JISA.
- all of an existing CTF.

We can accept the transfer from another manager as long as:

- we have received all the information we require from you (as requested on our application form) and the other manager to complete the transfer.
- the value of the transferred JISA or CTF is not less than the current minimum payment for a Cofunds JISA.

When we receive the transferred investment it will be invested in Fund(s) selected on your Application as explained in 6.3.2. of this document 'The timing and pricing of investments'.

Please see the 'Transferring Child Trust Funds (CTFs)' and 'Transferring JISAs' section in your Key Features of the Cofunds Junior Investment ISA document for more information. The Key Features also give you information on canceling a transfer.

Any residual payment (such as a distribution or tax reclaim) received from the old manager will be reinvested into the largest value Commission-free Share Class Fund within the JISA, regardless of any mandate instructions received upon transfer to Cofunds or subsequently. Where there is no Commission-free Share Class Fund the money will be paid into the JISA Cash Reserve.

Where, on the transfer of a JISA to us, the other manager tells us how the value is split between the current tax year and the previous tax year, if applicable, we will hold a record of the current tax year JISA.

## A4 Paying money in

### 4.1 Adding money to the JISA

Money can be added to the JISA by direct debit or cheque and can be made by any person. A person adding money (subscriber) to a JISA does not need to be resident in the UK. Eligible subscribers will include the Child, Registered Contact, other family members of the Child or other third parties. While a third party may subscribe to the Account, they will have no authority over the Funds in which the Monies are invested. All payments, including third party payments, should accompany a completed investment instruction and be sent to Cofunds via the Registered Contact.

All subscriptions will be deemed to be a gift to the child and cannot be repaid or refunded to the subscriber at any time. Payments should be in sterling, drawn on a UK bank account and made payable to Cofunds Limited.

To ensure that the subscription is processed in the current tax Year, your application must be received at Cofunds no less than five Business Days before the end of the tax Year. Applications made in the Year that the Child is 18 must be received by Cofunds no less than five Business Days before the 18th birthday.

### 4.2 Making payments by cheque

Cheques must be made out to Cofunds Limited.

For building society cheques, the name of the Child must appear on the front of the cheque (e.g. Cofunds Limited: A.B Smith) or on the back accompanied by the building society's official stamp and signature.

If you pay a subscription to your JISA by a cheque that fails to clear or a direct debit that is subsequently reversed, that subscription will be treated as if it had never been made for the purposes of these Terms and the ISA Regulations.

If we are unable to match any payment we receive to an existing account or application we will aim to return it to you within 10 days. In some cases it may take up to a further 5 days to reach you or your account.

### 4.3 Making regular payments

Selecting a monthly direct debit within the funding options section of the form and completing the direct debit instruction authorises us to collect regular payments until we are notified to the contrary by the payer.

## A5 How we hold your money

### Client Money

Any money held in your name prior to or following investment into Funds is held as client money and pooled together with all our clients' money generally held with the Bank. All client money is held separately from our own in trust on your behalf with the Bank. If your money is held in one of the Investor Money Trading Accounts below it may earn interest. See Sections A6.1 and A6.2 for more information on how we hold your assets.

## Investor Money Trading Accounts

### 5.1 Cash Reserve

When you open a JISA with Cofunds you can ask us to open a Cash Reserve for you within the JISA. The Cash Reserve provides the ability to invest in cash within your JISA without exposure to the risk of market movements. Please speak to your Nominated Intermediary if you are unsure how to use the Cash Reserve. Please see Section A3.13 for more information.

### 5.2 Rebates Accounts

We pay all rebates into this account pending investment into your Funds for a Unit Rebate – see Section A6.6 for information on whether this applies to you. This account does not pay interest.

### 5.3 The interest we pay

You can find out about Cofunds current interest rates for the Cash Reserve at: [www.cofunds.co.uk/docs/gbub/interestrates/](http://www.cofunds.co.uk/docs/gbub/interestrates/)

The interest rates we pay go up and down in line with the Bank of England's base rate, which is published in newspapers and at [www.bankofengland.co.uk](http://www.bankofengland.co.uk)

We pay interest on the Cash Reserve every month. At the end of each calendar month we'll work out how much interest you are entitled to for money held in your Cash Reserve, and apply that to the Cash Reserve by the fifth Business Day of the next calendar month.

If you switch your entire holding in the Cash Reserve to Funds, then any interest received after that transaction will be reinvested into the Fund in which you have the largest holding in your JISA. If you close your Cash Reserve without having invested in any Funds, interest will not be payable on money switched out.

We are paid interest by the Bank at which each Investor Money Trading Account is held and we can keep that interest. If you want to find out more about that please write to us at our Administration Address.

### 5.4 Tax on your interest

Income tax isn't payable on interest received on the Cash Reserve.

\* Tax depends on your individual circumstances and may change in the future. If you are not sure how it applies to you we recommend you get independent advice. There may be a cost for this.

### 5.5 Protection for your money

We hold our Client Accounts and Investor Money Trading Accounts with a carefully selected range of Banks. You can find out more at [www.cofunds.co.uk/docs/gbub/interestrates/](http://www.cofunds.co.uk/docs/gbub/interestrates/)

If one of these Banks fails it is possible you won't get back all of the money in the Client Account(s)/Investor Money Trading Accounts that we maintain for you. But you might be able to claim compensation under the Financial Services Compensation Scheme. This covers you for up to £85,000 of loss with each Bank, across all the accounts you hold with that Bank. There are more details at

[www.cofunds.co.uk/docs/gbub/assetprotect/](http://www.cofunds.co.uk/docs/gbub/assetprotect/)

## A6 Safe Custody

### 6.1 Our responsibility to keep your Assets safe

We are responsible for keeping your Assets safe. We hold your investments in the name of our Nominee, which is a company owned by Cofunds and with the same Registered Office address. We normally use Cofunds Nominees Limited for this, but sometimes we use other companies. Where that is the case we will let you know the details.

We are responsible for the acts and omissions of our Nominee. Our Nominee is not itself an authorised person under the Financial Services and Markets Act 2000; it can only hold investments and does not carry on business in its own right.

If our Nominee fails and we can't get back all of the investments held in its name, you will share any losses with other investors using the Nominee. Your relative share of any losses will reflect your relative share of the investments held in the Nominee when it failed.

We make arrangements to look after the documents that show you own the investments held in the name of our Nominee. We are not allowed to lend out your investments or use them as security for borrowing.

### 6.2 Ownership of Assets

The Child is and remains beneficial owner of the Assets in the Account. Please speak to your Nominated Intermediary to obtain a total platform valuation of all assets we are administering on your behalf.

Investments made in the JISA will be held on behalf of the beneficial owner and cannot be used as security for a loan, any assignment of, or agreement to assign, investments in a JISA, and any charge or agreement to charge the investments in a JISA has no standing in law and is ineffective.

All subscriptions by any party will be deemed to be a gift to the Child and cannot be repaid or refunded to the subscriber at any time.

You may not sell any investments until the beneficial owner is 18 except where regulations permit.

### 6.3 Investing on your behalf

When you or your Nominated Intermediary ask us to buy, switch, or convert investments in your Account, you pay us and then we place an instruction with the Fund Manager of the relevant Fund(s).

#### 6.3.1 The process we follow

We do this after adding up all of the individual buy, switch, and conversion instructions from all the investors on Cofunds – including you – to work out a total buy or sell instruction for each Fund (this is called 'aggregating orders').

You won't know in advance the price you'll get for the Units in a Fund because Fund Managers value Funds and set the Unit prices after all the buy and sell instructions for the day have been received (this is called 'forward pricing').

### 6.3.2 The timing and pricing of investments

Each Fund has a set time (called the 'Valuation Pricing Time') at which the pricing is done. So we also have a set time for each Fund (called the 'Dealing Cut-off Time') by which you have to place an instruction if you want to buy or sell at the price being set at the next available Valuation Pricing Time.

For most Funds there is a Valuation Pricing Time each Business Day, but some Funds are priced weekly. Valuation Pricing Times and Dealing Cut-off Times can vary from Fund to Fund. Please see the Fees & Charges Schedule for details. You will get this from your Nominated Intermediary.

If you or your Nominated Intermediary place an instruction and pay us before the Dealing Cut-off Time you will normally get the price set at the Valuation Pricing Time that same Business Day. Sometimes though, for example when we get an unusually large number of instructions, we might not be able to place your instruction the next Business Day for the next available Valuation Pricing Time.

In some exceptional circumstances set by a Fund, for example, if a Fund is suspended, we may have to split instructions between Valuation Pricing Times. That means you could get two different prices for parts of the same instruction. In these cases we will make sure our record of your instruction is the same as the Fund Manager's record and that your instruction is dealt with fairly. We always act on instructions by the order we receive them, but instructions given online may be dealt with sooner than those sent in by post.

### 6.3.3 If you are disadvantaged

Our processes for aggregating orders can sometimes act to your disadvantage. But where that happens we will always put you back in the position you would have been had the disadvantage not been suffered.

### 6.3.4 If you make Regular Investments

If you make Regular Investments into your Cofunds Account, each investment will be made at the next available Valuation Pricing Time after we receive your monthly payment.

### 6.3.5 If you switch all your Units in a Fund

If income is to be re-invested into a Fund and you subsequently switch your entire holding in that Fund, then any residual income received after that transaction will be reinvested into the Fund you have switched out of, however if the amount is under £100 then the residual income will be switched into the your largest Commission-free Share Class Fund in your JISA. If you don't hold any Commission-free Share Class Funds, we'll be unable to switch any residual balances less than £100 until you buy a Commission-free Share Class Fund. We will continue to hold these balances on your behalf until we can pay them out to you.

## 6.4 Types of Units

**Income Units** are Units which pay distributions of income to the holder from the Fund.

**Accumulation Units** are Units which automatically Reinvest all income back into the underlying Fund.

If you do not complete the income section in your Application or other instruction to invest and do not specify whether you want income or accumulation Units, Cofunds will invest in accumulation Units where available, and otherwise will invest in income Units and arrange for any income generated to be reinvested back into the Fund.

If you request accumulation Units and these are not available, Cofunds will purchase income Units and arrange for any income generated to be reinvested into the Fund. If you request income Units but income Units are not available, Cofunds will purchase accumulation Units.

### 6.4.1 Commission-free Share Class and Commission-included Share Class

**Commission-free Share class** – A Fund Share Class where the Fund Manager does not pay Commission to Intermediaries or Cofunds.

**Commission-included Share class** – A Fund Share Class where the Fund Manager pays Commission from its fund management charges to Intermediaries.

**Share class conversion** – Cofunds offers the ability to convert Commission-included Share Classes to Commission-free Share Classes.

A Share Class conversion is a two-step process, with the first step at Cofunds and the second step with the Fund Manager.

It is Cofunds' normal business practice to process your Share Class conversion following receipt of your instruction. The instruction to convert is then passed to the Fund Manager on the next Business Day. The Fund Manager will then convert your Share Class and will normally issue confirmation to Cofunds two days from receipt.

Cofunds upon receipt of confirmation will then reflect the Share Class change(s) to your Account. The above mentioned process is subject to change dependant on volumes and individual Fund Manager processing procedures.

The instruction to convert is then passed to the Fund Manager who will convert your Share Class and confirm back to Cofunds the next Business Day. Cofunds upon receipt of confirmation will then reflect the Share Class change(s) to your Account. This process is subject to change dependant on volumes and individual Fund Manager processing procedures.

### 6.4.2 Types of Commission-free Share Class

Commission-free Share Class Funds don't pay Commission to Intermediaries. The type of Commission-free Share Class Funds available to you on Cofunds will depend on what your Nominated Intermediary has agreed with the Fund Managers. If you request to buy, switch or convert into a Fund, we'll always process your trade into the particular Commission-free Share Class that is available through your Nominated Intermediary.

## 6.5 Changing from one Unit type to another

Fund Managers may allow you to convert Income Units to Accumulation Units, or the other way round. When you ask us to arrange a Unit conversion we send your instruction to the Fund Manager. The Fund Manager converts your Units and lets us know when this has been done. We then update your Account. Usually this is the next Business Day after we receive your instruction, but that can vary depending on business volumes and Fund Manager procedures. There is no charge for Unit conversion.

**Unit conversion** – It is Cofunds normal business practice to process your Unit conversion following receipt of your instruction. The instruction for conversion is then passed to the Fund Manager who will convert your Units and confirm back to Cofunds the next day. Cofunds upon receipt of this confirmation will then reflect the Unit conversion change(s) to the clients account. This process is subject to change dependant on volumes and individual Fund Manager processing procedures.

If you ask us to arrange a Unit conversion and a Share Class conversion at the same time, we'll deal with the Unit conversion first. Once this is done, we'll deal with the Share Class conversion.

## 6.6 Rebates

There are some circumstances where you can receive a Rebate – which is a payment back to you of some of the cost of investing into a Fund. Rebates are triggered on particular Funds depending on what Cofunds and/or your Intermediary have agreed with the Fund Manager.

### 6.6.1 How Rebates are paid

Rebates are paid on a product-by-product basis. Rebates will be paid as Units.

### 6.6.2 Unit Rebates process

On the third Business Day of the month, we'll calculate the total Rebates due to you for the previous month on your investments in each product you hold. From this date we'll place the appropriate amount of money in the Rebates Account. You won't be able to access this money, it's simply held on your behalf. On the 21st calendar day of the month (or the Business Day before if the 21st is not a Business Day), we'll use this money to invest into Units in the highest value Fund available within each of your products. This usually excludes the Cash Reserve if it's the largest value holding in your JISA (see Section A3.13), and any Funds which are not priced on a daily basis. If no Funds are available the amount will remain in your Rebate Account until the following month. The Rebate will be invested in Units once a Fund is available to receive it.

### 6.6.3 Minimum Rebates rule

If the total amount of Unit Rebates due to you within a product are less than £2.50, we won't invest them that month, but we'll continue to hold the value owed in the Rebates Account. This will accrue until the value of Unit Rebates owed to you for the product is equal to or over £2.50. We'll then follow the process described above in Section A6.6.2. We'll only invest Unit Rebates once the value owed reaches the £2.50 minimum.

For example, if in June your Funds in a product triggered £1.50 of rebates, we'd hold this amount in the Rebates Account on your behalf and not pay it out on 21 July. If in July your Funds triggered another £1.50, we'd pay £3.00 of Units into your largest Fund in that product on 21 August. In August your Funds might trigger another £1.50 – we'd hold this in the Rebates Account until you were owed £2.50 or more, at which time we'd pay all the Rebates owed.

## 6.7 Transferring your investments onto the Cofunds Platform

If you transfer an existing holding of Funds onto the platform, we will request the Fund Manager to register your investment with Cofunds with the same split between Group 1 and Group 2 Units that applied to your previous holding. This avoids an unnecessary change in your tax position arising as a result of the transfer onto the platform.

Please note that we'll only be able to Re-register your Funds onto Cofunds if they are held in a Share Class that is available to you through your Nominated Intermediary on the Cofunds platform.

See the relevant Fund prospectuses or speak to your Nominated Intermediary for more information on Group 1 and Group 2 Units.

Please see Section B2.4 for transfers of Commission-included Share Class Funds.

## A7 Making Changes to your investments

### 7.1 How to make changes

If you want to make changes to your investments or anything else to do with your Account you must ask your Nominated Intermediary to arrange that for you.

Remember, even if you have investments in Commission-included Share Classes, all future investments you make must be into Commission-free Share Classes.

### 7.2 Setting up Regular Investments

You can ask us to set up a Regular Investment payment for investing into your JISA, or to change an existing arrangement for Regular Investments. Regular Investments into the JISA can be made from any UK bank account however only one Direct Debit can be in place at a time. Where Regular Investments are being made by a third party, we require a signed Direct Debit instruction from the bank account holder to commence collecting payments.

We will aim to collect the first Direct Debit on or shortly after the 25th calendar day of the month in which it was applied for. Depending on when we receive your application, we may not collect until the 25th of the following month. You can also specify which month you want it to start. We'll then continue to take your Direct Debit on or shortly after the 25th calendar day of each month.

You can change a Regular Investment at any time. We have to receive your change request five Business Days before the 25th calendar day of the month if you want the change to take effect that month.

Any Regular Investments will cease on the Child reaching 18 years of age. Subscriptions may commence in the ISA subject to the Child agreeing to the Terms and Conditions of the Cofunds Platform by making an ISA application for that Year.

## A8 Some issues to be aware of when investing

### 8.1 If a mistake is made

If a Fund Manager error occurs in relation to a transaction that we carry out for you (for example, the Fund Manager calculates the Unit price incorrectly), we will amend our records to reflect the correct position as soon as practicable.

Where a process error has a consequential impact on corrections to Intermediary Fees and Charges and/or Platform Charges and/or Rebates and/or Cash Reserve interest of £1 or less, we will take no further action.

### 8.2 If you misuse our service

We monitor trading activity on our Platform for the protection of all Cofunds investors. If, from that monitoring, we believe you have a history of short-term or excessive trading or your trading has been disruptive, we can refuse to accept a new Account application from you.

### 8.3 Unpaid amounts

If you ask us to buy an investment but don't pay for it – for any reason – that will either delay your investment or mean it has to be reversed later. You will be responsible for any loss because of market movements at that time.

## 8.4 The Funds available through Cofunds

We can make changes to the Funds available for investment through Cofunds at any time. If we remove a Fund that you have invested in you'll stay invested in it, but won't be able to put any more money in. The Funds available to you may vary according to what your Nominated Intermediary has arranged with the relevant Fund Managers.

## 8.5 Suspended Funds

If a Fund is suspended by the Fund Manager, Cofunds may hold or reject instructions to deal until the suspension is lifted. Should a Fund pay income during a period of suspension and the Fund income is reinvested, we may not be able to fulfil your request. In the event that we are unable to fulfil your request we will communicate with you on how income will be treated.

## 8.6 Overseas Funds

If you invest in any Fund that has business days that differ from standard UK business days you will be subject to any non-dealing days, for example non-UK national holidays, as specified in the Fund's prospectus.

### Fees and charges

**THIS SECTION DOES NOT APPLY TO INVESTORS IN THE JISA UNTIL FURTHER NOTICE**

## A9 Our charges

### 9.1 How we are paid

We take a Platform Charge for our services. Our standard charge is calculated on the value of your investments as explained below.

**Please note:** This document describes our standard charges. Your Nominated Intermediary may have different charging arrangements that apply to you, including but not limited to paying a fixed monetary amount (a 'Fixed Platform Charge') as well as an investment-based charge. If at any time you stop using your Nominated Intermediary, you'll move onto the standard Cofunds Platform Charge applicable at the time, or move onto the charging arrangement of your new Nominated Intermediary when you sign up with them.

#### 9.1.1 Cofunds' Rates

We take our Platform Charge once a month for as long as you hold Commission-free Share Class Funds. The table below shows our standard annual charge rates – our charges are broken down into tiers based on the value of your investments on Cofunds.

**This is an indicative set of rates – the rates that actually apply to your JISA will be notified to you before they are applied**

Tier	Investment value	Rate at which we charge	Payment frequency
1	Investment value £0 - £100,000	0.29%	Deducted in monthly instalments
2	Investment value >£100,000 - £250,000	0.26%	
3	Investment value >£250,000 - £500,000	0.23%	
4	Investment value >£500,000 - £1m	0.20%	
5	Investment value >£1m	0.15%	

#### 9.1.2 How we work out your Platform Charge

**Step 1:** We calculate a charging rate to apply to the value of your investments. As you can see above, we have different charging rates depending on the total value you have invested. We calculate the rate to apply to you by multiplying your investment value in each tier by the percentage rate we charge for each tier. This gives the charge value for each tier. We add those charge values together. Then we divide this figure by your total value of investments (taken as an average across the year) on Cofunds to get the overall rate which we use to calculate your Platform Charge.

For example on a portfolio of £150,000:

Platform Charge on first £100,000 (Tier 1) = £100,000 x 0.29%	£290
Platform Charge on second £50,000 (Tier 2) = £50,000 x 0.26%	£130
Total Amount	£420
Overall Rate = £420/£150,000	0.28%

**Step 2:** We apply the overall rate to your account. We apply this overall rate only to your Commission-free Share Class Funds, as we already receive payment from the Fund Manager for your Commission-included Share Class Funds.

**Step 3:** We calculate the charge owed that month. The value produced by Step 2 is divided by the number of days in the calendar year and then multiplied by the number of days in the previous month to get the platform charge we'll deduct.

So using the same example and assuming all the Assets in your portfolio are Commission-free Share Class Funds:

Total value of £150,000 x overall rate of 0.28%	£420
365 days in the calendar year = £420 ÷ 365	£1.15
31 days in the previous month = £1.15 x 31	£35.65
Platform Charge that month	£35.65

But if £50,000 of your portfolio was invested in Commission-included Share Class Funds the Platform Charge would not be applied to those Funds, so:

£100,000 (£150,000 - £50,000) x overall rate of 0.28%	£280
365 days in the calendar year = £280 ÷ 365	£0.77
31 days in the previous month = £0.77 x 31	£23.78
Platform Charge that month	£23.78

#### 9.1.4 How we collect our Platform Charge

We collect our Platform Charge from your Cash Account each month.



First, we work out your Platform Charge for the previous month. That's done on the third or fourth Business Day each month (the actual day we work it out doesn't affect the amount you pay).

Then, on the fifth Business Day of the month, if there's enough money in your Cash Account we ring-fence the Platform Charge. This means that the money available in your Cash Account can't be used for any other purpose.

If there isn't enough in your Cash Account to take the Platform Charge, what we do next depends on how you've chosen to fund your charges – see Section A9.3 below.

\* If you don't want us to sell Funds to pay your Platform Charge you need to make sure that you keep enough money in your Cash Account to cover it each month – see Section A4 for ways of paying money into your Cash Account.

We collect the Platform Charge from your Cash Account two Business Days before the last Thursday of the month.

## 9.2 How your Nominated Intermediary is paid through Cofunds

**IMPORTANT NOTE – your Nominated Intermediary cannot take Intermediary Fees and Charges from within the JISA until further notice. This Section does not apply until further notice.**

**However, your Intermediary could charge the Registered Contact through Cofunds in relation to the JISA. Please speak to your Nominated Intermediary for more information on how they charge.**

### 9.2.1 Paying your Intermediary

Your Nominated Intermediary may charge you through Cofunds in a variety of ways – you will agree the charges that apply to you with them.

Please refer to your Fees & Charges Schedule for the details of the charges that apply to you.

\* If for any reason you don't have a Fees and Charges Schedule, please ask your Nominated Intermediary.

### 9.2.2 Service Charge

#### 9.2.2.1 What a Service Charge is

A Service Charge is taken as a percentage of your Commission-free Share Class Funds (and any cash) held in the Applicable Products, and will be paid in arrears from your Cash Account on a monthly basis.

If your Intermediary has a tiered charge (so different rates apply depending on the value of your investments) we work out an overall rate and apply it to your investments in the same way as we work out the Platform Charge (see Section A9.1.2 above).

#### 9.2.2.2 What Accounts are covered by a Service Charge

The Accounts covered by a Service Charge depend on what you've agreed to be Applicable Products with your Nominated Intermediary. If you have ever held a Commission-free Share Class Fund within a product, it will be available to be charged. Your Intermediary can select to apply their charge in relation to cash held within the Cash Account also.

#### 9.2.2.3 When a Service Charge is taken from your Account

Three Business Days before the last Thursday of the month, Cofunds will assess whether you hold enough money in your Cash Account to pay the Service Charge. If you do, it will be deducted from your Cash Account on the next Business Day. If there is insufficient money in the Cash Account on this date, the Service Charge will accrue to the next month.

### 9.2.3 Subscription Charges

#### 9.2.3.1 What a Subscription Charge is

A Subscription Charge is a fixed cash amount taken monthly, quarterly, half-yearly or yearly. It's paid in arrears when it's set up on a monthly basis, but for all other frequencies of payment it's payable in advance, so you pay at the end of the previous period for the next period (whether it be a quarter, half-year or year).

#### 9.2.3.2 What Accounts are covered by a Subscription Charge

If you've agreed to a Subscription Charge (and hold Commission-free Share Class Funds in each product) it will automatically cover your JISA.

A Subscription Charge (if agreed) will apply to you from the first time you hold a Commission-free Share Class Fund within the relevant products. It will continue after you've sold all Commission-free Share Class Funds if you held a Commission-free Share Class Fund in the relevant product (or cash) at any point during the month before the Subscription Charge is calculated.

#### 9.2.3.3 When a Subscription Charge is taken from your Account

Three Business Days before the last Thursday of the month in which the Subscription Charge is to be paid, Cofunds will assess whether you hold enough money in the Cash Account to pay the Subscription Charge. If you do, it will be deducted from the Cash Account on the next Business Day.

For example, if you're on an annual Subscription Charge, this will only happen on one month in the year.

### 9.2.4 Splitting the charges between Accounts

If you hold multiple Accounts (for example, if you have one ISA and then a Joint Holding with someone else), then we split the applicable charges proportionately between the relevant cash accounts applicable to you. We calculate the proportions for the previous month on the fifth Business Day of the month in which the charges are due to be taken.

Subscription and Service Charges will always be applied to all your Accounts.

### 9.2.5 Confirmation

We won't take a Service Charge and/or Subscription Charge unless we receive confirmation from you that you've agreed to it – this might be you agreeing online or signing an application form or Fees and Charges Agreement form. If there's a gap between when you sign up with your Intermediary (and so are assigned to their Service Charge and/or Subscription Charge on our systems) and when you confirmed to Cofunds that you've agreed to the Service and/or Subscription Charge, the Service and/or Subscription Charge will accrue on your account. We'll send you a letter confirming the arrangement once we've received your confirmation. If the gap spans several payment periods, this will mean you pay the whole accrued amount in one go.

### 9.2.6 One-off fees

For some services or transactions, your Nominated Intermediary may charge a one-off fee. Your Nominated Intermediary must provide us with evidence that you've agreed to pay their one-off fee. As soon as we've processed this, where the money is available, the fee will be deducted from your Cofunds Cash Account. Money is deducted on the Monday of the payment week – except where this is a bank holiday or other public holiday in which case we'll deduct it on the previous Business Day. If you have insufficient money in your Cash Account, we'll try to deduct the amount owed every subsequent payment week until we're successful, or your Nominated Intermediary tells us to cancel the fee.

### 9.2.7 Ongoing monthly fees

You can arrange with your Nominated Intermediary to pay them on an ongoing monthly basis in relation to your Applicable Products. This could be a fixed amount or calculated as a percentage of the daily average of the balance for that month. We need you to sign and you/your Nominated Intermediary to send your agreement to the fees, either by fax or post, before the fees can be paid to your Nominated Intermediary. We'll send you a letter confirming the arrangement once we've received your confirmation. If your fees are set up but you don't affirm them for several months, you'll pay the whole accrued amount in one lump sum.

### 9.2.8 VAT

VAT may be payable in some circumstances on Intermediary Fees and Charges. If VAT is payable it will be calculated on the ongoing monthly fees due after any Commission (on Commission-included Share Class Funds) has been offset. Please speak to your Nominated Intermediary for more information.

### 9.2.9 Changing your fees arrangement

Please speak to your Nominated Intermediary if you want to change your Intermediary fees arrangement. Please make sure you send your request so that we receive it at least five working days before a payment is due to be collected from your relevant cash account(s) (that's three Business Days before the last Thursday of the month), or we won't be able to process it in time.

### 9.2.10 Stopping your fees

You can stop an Intermediary fees arrangement at any time by either instructing Cofunds directly or speaking to your Nominated Intermediary (who will then stop the arrangement on your behalf). To instruct Cofunds, please write to our Administration Address. Please also write to us at our Administration Address if charges are taken from your Cofunds Account that you have not authorised. If you stop a Service or Subscription Charge, this will usually mean that you have to move to a different Nominated Intermediary.

## 9.3 Funding your fees and charges

### 9.3.1 Payments from your Cash Account

Fees and charges from Cofunds and your Nominated Intermediary are taken from your Cash Account. Other payments which you've set up will also be taken from your Cash Account. The types of payment out of your Cash Account include:

- (1) Platform Charges (paid to Cofunds);
- (2) Regular Withdrawals (paid to you);
- (3) Intermediary Fees and Charges (paid to your Nominated Intermediary if applicable).

It's your responsibility to ensure that there's enough money in your Cash Account to meet all the payments due to go out. See Section A4 for how to pay money into your Cash Account.

### 9.3.2 If you don't have enough money in your Cash Account to cover the payments due

On the fifth Business Day of the month (the Calculation Date), Cofunds will review your Cash Account to check you have enough money to meet any payments that are due to go out that month. If you don't have enough money in your Cash Account to meet these payments, there are a few options as to what Cofunds might do:

- (1) Follow your instruction: if you have set up a Sale for Regular Payment mandate with your Nominated Intermediary, Cofunds will follow your specified choice of what Funds to sell from in order to raise the money to meet all your payments out (see Section A10). This takes priority over any other options (i.e. (2) or (3) below);
- (2) Follow your Nominated Intermediary's default setting: if you haven't set up a Sale for Regular Payment, your Nominated Intermediary may have applied a Fund Sale Instruction on your Account to sell your largest Commission-free Share Class Fund to raise the money to meet your payments out (see Section A11). Please speak to your Nominated Intermediary if you're not sure;
- (3) Follow our default process: if you haven't set up a Sale for Regular Payment and there's no Fund Sale Instruction set up on your account, Cofunds will sell your largest Commission-free Share Class Fund following the Fund Sale for Platform Charges process to raise the money to pay for our Platform Charges only (see Section A12).

## Funding your Fees & Charges

## A10 Sale for Regular Payment

### THIS SECTION DOES NOT APPLY TO INVESTORS IN THE JISA UNTIL FURTHER NOTICE

### 10.1 Our Sale for Regular Payment service

A Sale for Regular Payment is a service to help manage payments you have arranged to go out of your Cofunds Cash Account for ISAs and Investment Funds. It gives you the choice of how to sell Funds to meet any fees, charges and payments due to go out of your Cash Account.

You can ask your Nominated Intermediary to set up a Sale for Regular Payment to help manage payment of:

- your Platform Charge;
- Intermediary Fees and Charges (if applicable).

Where you have instructed us to make payments from your Cash Account, but don't have enough money in that account to meet the payments due to be paid that month, your Sale for Regular Payment will instruct Cofunds to sell a portion of your ISA and/or Investment Funds to raise the required amounts.

You and your Nominated Intermediary must agree all Intermediary Fees and Charges being paid from your account to your Nominated Intermediary. We'll automatically use any Sale for Regular Payment that's set up on your Account to cover any Intermediary Fees and Charges you've agreed to pay your Nominated Intermediary. If you change your mind, and you don't want us to do this, please give us a clear instruction to this effect, but first of all speak to your Nominated Intermediary.

## 10.2 How it works

### 10.2.1 Setting up your Sale for Regular Payment

To set up a Sale for Regular Payment, you fill in and sign a Sale for Regular Payment Instruction form ([www.cofunds.co.uk/docs/sdub/sfrp/](http://www.cofunds.co.uk/docs/sdub/sfrp/)) and give it to your Nominated Intermediary. You can set up a Sale for Regular Payment through your Nominated Intermediary, or do it online if they've given you access.

On the form, you state whether you'd prefer we sell Units:

- (a) from your largest value Fund holding across your selected products; or
- (b) from a Fund nominated by you.

This is your Account level instruction.

On the form, you also have to tell us whether you want your Sale for Regular Payment instruction to apply to your ISA products, Investment Funds product or both. If you hold a joint account you'll only have the option of both.

### 10.2.2 If you ask us to sell Units from your largest value Fund holding

If you select ISA or Investment Funds only, we'll sell the largest Fund held within the individual product.

If you select to sell across ISA and Investment Funds, we work out the largest value Fund holding across these products. This means that a Fund that you hold in both ISA and Investment Funds could be your largest value Fund, even if it is not individually the largest in either of those products. If you do hold your largest Fund across ISA and Investment Funds, we'll sell Units from the Fund held in both products in proportion to the size of your holding.

### 10.2.3 If you ask us to sell Units from a Fund you nominate

If you hold the Fund you nominate in more than one of your selected products, we sell Units from each product to reflect the relative size of your Fund holding in it.

## 10.3 Calculating the Sale for Regular Payment

On the fifth Business Day of the month we check if you have enough money in your Cash Account to cover any relevant payments due that month.

If you don't have enough money in your Cash Account, we'll sell Units on the ninth Business Day (or potentially the 10th Business Day or next available Valuation Pricing Time if we are unusually busy with investment instructions). We sell enough Units to cover your payments, plus 10%. The extra 10% is in case Unit prices go down between when we work out the Units to sell, and when they are actually sold.

### 10.3.2 Payment priority

We'll always try to raise enough money by selling Units to cover all the relevant payments due, but if that isn't possible then some or all of your payments may not be met.

With the money we do raise, we'll cover payments in this order:

- (1) your Platform Charge;
- (2) any Intermediary Fees and Charges you've agreed (if applicable).

### 10.3.3 If we can't raise enough from the Fund you nominate

If we can't raise enough to cover payments due by selling Units from the Fund nominated by you (or that Fund isn't available for trading at the time) we'll check if we can cover them by selling Units from your largest value Fund instead. If we can, we'll change your Account level instruction to sell from your largest value Fund from now on. We will confirm in writing if we do this, and let your Nominated Intermediary know.

### 10.3.4 If you don't have enough invested to cover any of your payments due

If we can't raise enough from selling your Funds to cover any of your payments due, we'll stop your Sale for Regular Payment instruction for the current month, and we'll permanently stop any regular withdrawal you've set up.

If we raise enough to meet some of your payments, we'll pay as many of the payments as possible from the money raised in order of the payment priority set out in 10.3.2. For example if you owe a Platform Charge, Subscription Charge and Service Charge but only have enough money to pay the Platform Charge and Subscription Charge, these will be paid and the Service Charge will accrue as this is the lowest priority payment.

If we can't cover the Platform Charge or Intermediary Fees & Charges you owe, they will keep building up each month until either we can cover them by selling Units or there is enough money in your Cash Account for us to take what you owe. Please see A15.5 for more information about our rights when you owe us money.

### 10.3.5 If we can't cover your payments because Unit prices have gone down

There are usually four Business Days between the time we check if you have enough money in your Cash Account to cover any relevant payments due (on the fifth Business Day) and the time we actually sell Units (usually on the ninth Business Day). If Unit prices go down in that time we may not actually raise enough to cover your payments. In that case we'll follow the payment priority order explained in A10.3.2.

We're not responsible for any shortfall. You'll have to make up the difference.

### 10.3.6 If we can't sell Units because an instruction has been placed

If you ask us to sell or switch investments, or carry out a conversion, between when we check your Cash Account (on the fifth Business Day) and the time we actually sell Units (usually on the ninth Business Day) this might mean that Units we planned to sell under the automatic Sale for Regular Payment are no longer available. In these cases Unit sales for the Sale for Regular Payment might be delayed until the 10th Business Day of the month.

### 10.3.7 What we'll include when working out your Sale for Regular Payment

We'll review all your selected products when working out your Sale for Regular Payment, but we'll only include Funds that are priced daily. Weekly priced – Funds won't be included, even if they are large enough to cover your payments due.

### 10.3.8 The minimum we'll sell under a Sale for Regular Payment

The minimum we'll sell from a single Fund is £1 of Units.

If you hold a lot of Funds, and a sale between them to cover your payments due would work out as less than £1 from each Fund, we'll actually sell £1 from each Fund and pay the extra into your Cash Account.



### 10.3.9 Sale for Regular Payment and one-off Intermediary fees

If you have a Sale for Regular Payment mandate and you haven't paid a one-off Intermediary fee (see Section A9.1), we'll add the amount of the unpaid fee to the Sale for Regular Payment calculation on the fifth Business Day of the month. Your Funds will be sold accordingly so that the one-off fee will be paid at the end of the month as part of that month's Sale for Regular Payment.

If you subsequently add money to pay for the fee to your Cash Account, we'll still sell the extra Funds that we calculated were needed to pay for the fee. The surplus money raised will be retained in your Cash Account. A letter confirming the one-off fee will be sent to you.

### 10.3.10 Keeping money aside to cover your payments – ring-fencing

If, when we check, there's enough money in your Cash Account to meet your payments due, we keep that money aside to cover those payments (this is known as 'ring-fencing').

If you don't have enough money in your Cash Account to meet your payments due, we'll ring-fence all the money in your Cash Account. Then, after we've completed your Sale for Regular Payment we'll also ring-fence the amount we need from what has been raised to cover all your payments due.

Money that is ring-fenced is reserved for the purpose of meeting your payments, is not available for investment and reduces your Available Balance. Sometimes that means we cannot place an instruction to buy for you even if it looks like there is enough money in your Account.

### 10.3.11 How we make your payments out

When we're making payments out after a Sale for Regular payment we'll follow the usual process for that kind of payment. You can read more in A9 (Paying for our service), A14 (Payments to you) and A15 (Making one off withdrawals and closing your Account).

## 10.4 Tax implications

You don't pay capital gains tax on the sale of Units in a JISA, but if you take money out of a JISA you'll lose the future tax benefits on the amount you take out.

## 10.5 If you have online access to your Cofunds Account

Depending on what you agree with your Nominated Intermediary you may have online access to Cofunds and be able to place investment instruction directly with us.

Please be aware that any instruction you give us may affect your Sale for Regular Payment and, as a result, any payment made from your account.

For example, if you ask us to switch, convert or sell out of the Fund you have nominated for your Sale for Regular Payment, at your next Sale for Regular Payment we'll start selling Units from your largest value Fund instead.

If you are not sure, please speak to your Nominated Intermediary before you give us any instructions.

## A11 Fund Sale Instruction

### THIS SECTION DOES NOT APPLY TO INVESTORS IN THE JISA UNTIL FURTHER NOTICE

You can agree for your Nominated Intermediary to set up a Fund Sale Instruction. Where you don't have enough money in your Cash Account, this will sell from your Funds to raise the money to pay Intermediary Fees and Charges and Platform Charges, if required, in the same way as described in Section A10.1. Please speak to your Nominated Intermediary if you're not sure what you've agreed with them.

### 11.1 How it works

The Fund Sale Instruction process follows the same timeline as Sale for Regular Payment, as described in 10.3 above. The difference is that we apply a default instruction to sell from the largest Commission-free Share Class Fund held across your products.

If you only hold one product – we will sell the largest Commission-free Share Class Fund within this product. If you hold multiple products with no common Funds in any of them – we will sell the largest Commission-free Share Class Fund in your whole portfolio of investments. If you hold multiple products that contain one or more of the same Funds, we will add up you holding per Fund, and sell from the largest Commission-free Share Class fund you hold as a total across all your products.

This means a Commission-free Share Class Fund that you hold in a number of products can be the largest even if it isn't the largest in any individual product. If you do hold your largest Fund in more than one product, we sell Units from each product to reflect the relative size of your Fund holding in it.

\* Here's an example of what we mean.

	Fund A Value	Fund B Value	Fund C Value
Product 1	£5,000	£8,000	£10,000
Product 2	£6,000	£2,000	£2,000
<b>Total</b>	<b>£11,000</b>	<b>£10,000</b>	<b>£12,000</b>

This makes Fund C the largest value Commission-free Share Class Fund holding.

If we work out that £100 worth of Units of Fund C have to be sold to pay your charges / withdrawals (plus 10%) the value of the Units we'd sell from each product would be as shown.

	Fund C value	% of the total of Fund C value	Value sold for Platform Charge
Product 1	£10,000	83%	£91
Product 2	£2,000	17%	£19
<b>Total</b>	<b>£12,000</b>	<b>100%</b>	<b>£110</b>

## 11.2 How it's different from Sale for Regular Payment

This is a default instruction by your Nominated Intermediary to sell your largest Commission-free Share Class Fund when there's a shortfall in your Cash Account to meet the relevant payments due. This means that Section A10.3.3 doesn't apply.

## A12 If we have to sell Funds to pay your Platform Charge

**THIS SECTION DOES NOT APPLY TO INVESTORS IN THE JISA UNTIL FURTHER NOTICE**

If you haven't set up a Sale for Regular Payment and if your Nominated Intermediary hasn't applied a Fund Sale Instruction to your Account, we'll use the Fund Sale for Platform Charges process to raise money to meet our Platform Charge. We only use this process to meet our Platform Charge – we won't use this process for any other charges or any regular withdrawal you have set up.

### 12.1 How it works

A Fund Sale for Platform Charges follows the Sale for Regular Payment process described in Section A10.3, except that we'll always sell from your largest value Fund holding in the Commission-free Share Class. This works as for the Fund Sale Instruction process described in Section A11.1 above – with the difference that we'll only sell to raise money to pay your Platform Charge, rather than other charges/payments as well.

If you don't have enough Units available to sell on the fifth Business Day of the month to cover the Platform Charge you owe, it will keep building up each month until either you do have enough Units to sell or there is enough money in your Cash Account for us to take what you owe. Please see A15.5 for more information about our rights when you owe us money.

## 12.2 How it's different from Sale for Regular Payment and Fund Sale Instruction

This is Cofunds' standard default process to sell your largest Commission-free Share Class Fund when there's a shortfall in your Cash Account to meet our Platform Charge. This means that Sections A10.3.3, A10.3.9 and A10.3.11 do not apply.

## A13 How we keep you informed

### 13.1 On setting up your Account

When we set up an Account for you we send you a letter with your Cofunds Client Reference and the Platform Account reference number for your Account which Cofunds require on all correspondence.

### 13.2 As you trade in investments

The Business Day after we complete a purchase, conversion, transfer-in, Re-registration or switch instruction on your behalf we'll send you a confirmation note with the details and make a copy available to your Nominated Intermediary.

That's unless you have set up a Regular Investment. We won't send a confirmation note for every instruction placed on your behalf under these arrangements, but you will get the details as part of your annual statement and consolidated confirmation note. The same applies for Rebates.

When you set up a Regular Investment we acknowledge your instruction to do this.

Your Nominated Intermediary can give you information about your investments at any time, including valuations and illustrations.

### 13.3 Statements

At least annually we will send you an Account statement showing details of all Assets within your Account on the statement date and all transactions made since the previous statement date. A copy will be made available to your Nominated Adviser. Valuations are based on the bid price as at the date shown on your statement.

### 13.4 Our records

You may inspect copies of confirmation notes, vouchers and entries on our books or electronic media relating to transactions on your Account. We keep these records for at least six years.

## Taking money out of your Account

## A14 Payments to you

### 14.1 Income from Funds

In the JISA, you can only ask us to 'Reinvest' your income. This means we'll use it to buy more Units in the Fund it came from.

\* Funds can pay income at different intervals. Some pay income once a month. Others pay it every three months, every six months or once a year. So depending on how the Funds you hold pay income, the amount we Reinvest could vary quite significantly.

### 14.2 Our process for income distribution

Our processing of income from income-paying Funds is dependent on full and accurate information being received from the Fund Manager(s). Cofunds has agreed service level timeframes with Fund Managers. Where the relevant information is received within these timeframes we will Reinvest your income within five Business Days of receiving the distribution of income from the Fund Manager. Where the relevant information is not provided by the Fund Managers within the agreed timeframes we contact the relevant Fund Managers and process the income distribution as soon as we can.

### 14.3 Our rights when making payments

We can pay any money that is owed to you into your Nominated Bank Account or to your Nominated Intermediary and this will be a good discharge of our responsibility, under these Terms & Conditions, to pay you that amount.

## A15 Requesting withdrawals and closing your account

### 15.1 Requesting a withdrawal

The ISA Regulations do not allow you to withdraw or close the Account until the Child is aged 18, or in the event of their death or terminal illness.

**At age 18:** Requests to withdraw can only be made by the Child via their Nominated Intermediary. We can only release proceeds of a deal on receipt of their original signature. Proceeds will normally be sent out by cheque or by bank transfer within five Business Days of the Valuation Pricing Time of the last Fund sold. Payment will be delayed if a Fund Manager has not sent settlement proceeds to us, if we have not received an original signature, or if anti-money laundering and bank verification checks have not been completed successfully. Cheque withdrawal timings are subject to postal delivery. If they have requested the withdrawal be paid to the Child's Bank Account, it may take up to eight Business Days to reach the Child's account.

**Death:** Please refer to Section A17.

**Terminal illness:** The Registered Contact may make a claim to HM Revenue & Customs to withdraw all or part of the investments held in the Account. HMRC will assess the request and will instruct us accordingly.

## 15.2 Making the withdrawal

Where a withdrawal is permitted, you tell us the Funds you want to make the withdrawal from, and how many Units you want us to sell in each Fund. If you don't tell us how many Units to sell, forward pricing (which is explained in A6.3) means we'll have to estimate this, and we can't guarantee you'll get the exact amount of money you asked for. You might get more or less.

We'll pay by cheque, which we'll issue within five Business Days of the last Fund being sold. We send cheques to you in the post, so please allow for postal delivery times.

There might be delays paying you if we haven't received payment from a Fund Manager; or

If you make a full withdrawal from a JISA, any Rebates (including Unit Rebates) which are pending to be paid on that product or incurred in the subsequent month following withdrawal (see Section A6.6).

## 15.3 Closing your Account

You can close your Account when the Child is 18 by asking to withdraw all the Assets in it, or by asking us to transfer them to another manager. We'll still complete any transactions we'd already started for you and these Terms & Conditions will apply until we complete all of those transactions and pay out any money you owe.

## 15.4 Re-registration off Cofunds

To Re-register your JISA to another Plan Manager or Fund Manager, you first of all need to arrange this with your new Plan Manager or Fund Manager.

For Commission-free Share Class Funds, you are able to Re-register them to a new Plan Manager or Fund Manager in their existing Share Class (providing the new Plan Manager/Fund Manager is able to accept these Funds and Share Classes).

A Share Class Conversion may be necessary in order to process your Re-registration – please see A6.4.1 for details on how this works.

Please ensure you quote your Platform Account Reference when transferring off the Cofunds platform.

## 15.5 If you owe money

If you ask us to pay money to you from your Account we can first take off anything you owe in fees, charges and expenses. We can also keep enough money to pay any tax that we reasonably estimate we might have to pay to HM Revenue & Customs on your behalf under the ISA Regulations or for any other reason.

We keep money that's been put aside to pay out to you in a Client Account, separate from your Account. We can delay paying this money on to you until we know that any payments you are making to us have cleared, and that any money you owe us (including for the Platform Charge) has been covered.

We won't make payments to a third party account on your behalf unless it's to the account of another FCA regulated firm.

If you owe us money, we can ask you to pay it to us in good time. We will write to you with details of what you owe, and you can pay us by cheque or bank transfer. Or, if you still have Assets with us, we can sell Assets to cover the amount you owe, or take it from your Cash Account or any withdrawal we're paying to you.

If, after we write to you and more than six months have passed, you still haven't paid us what you owe, then we can take legal action to recover it.

## Other things you need to know

## A16 Changing or ending our agreement with you

### 16.1 If we make changes

We can make changes to these Terms (including the services provided by us) as set out below.

#### 16.1.1 Non-material changes

We can make changes which operate to your benefit in order to:

- (a) provide additional services, facilities or options to your account;
- (b) make minor amendments which are not material to the meaning of these Terms;
- (c) make clarifications which are not material to the meaning of these Terms;

without providing notice to you except that we will provide notice of any change under point (a), in so far as we provide you with the revised Terms at the point where you use the relevant new service, facility or option.

### 16.1.2 Regulatory changes

We can make changes which are required to respond to changes in relevant laws or regulations. If the change will operate to your benefit, we'll not provide notice to you except in so far as we provide you with the revised Terms at the point where you carry out a trade or other function on the Cofunds platform which requires you to agree to the new Terms. If the change will operate to your disadvantage, we'll provide you with at least 30 days notice unless we're not able to do so as a result of the change in relevant laws or regulations when we'll give you as much notice of the change as is possible in the circumstances.

### 6.1.3 Material changes

We can make changes which:

- (a) vary the minimum or maximum investment, account value, or withdrawal amounts;
- (b) vary the charges that apply to your account;
- (c) we need to make for the ongoing provision of our service but which may operate to your disadvantage;

by providing you with at least 30 calendar days' notice of that change, unless the change is as a result of something outside our control or it's not possible to do so. If we're not able to give you 30 days' notice, we'll give you as much notice as possible.

### 16.1.4 What to do if you are unhappy with a change

If you're not happy with a change to your Terms, speak to your Nominated Intermediary or write to us at our Administration Address to ask for a more detailed explanation of it. If you're still unhappy or you decide you would like to close your Account immediately you can instruct us to close your Account by transferring to another manager. This will be at no additional cost to you (although we will deduct all outstanding charges).

### 16.1.5 Changing Investment Service

You agree your Service Type for the Cofunds Platform with your Nominated Intermediary. If you are considering changing Service Type please speak to your Nominated Intermediary.

## 16.2 If you or we want to end this agreement

You can end this agreement by writing to us at our Administration Address. We can end this agreement by giving you at least three months notice.

Unless you agree something else with us at the time, we'll sell all the Units in all your Funds and pay you what we raise – along with any other money in your Account.

## A17 Deceased process

**Registered Contact:** On the death of a Registered Contact who has parental responsibility, a replacement will need to be appointed. The JISA will continue but no instructions can be accepted until we receive the original or a certified copy of the death certificate together with a completed 'Change of Registered Contact Form' appointing a replacement.

**Child:** On the death of the beneficial owner the JISA will cease to be tax-exempt and will be closed. Where the Child is under 16, or aged 16-18 and not the Registered Contact we will continue to hold the Assets until we receive the original or a certified copy of the death certificate, together with instructions from the Registered Contact, upon whom these terms become binding.

Where the Child is aged 16-18 and is the Registered Contact (in accordance with section 2.6) we will continue to hold the Assets until we receive the original death certificate, together with a statutory declaration completed by the next of kin. Where income units are held we will continue to reinvest the income arising to purchase further units. Any tax reclaimed on income distributions paid between the date of death and notification of death will be deducted by us.

### Platform Charges (see Section A9 for applicability)

The Platform Charge will continue to be charged as long as Commission-free Share Class Funds are held on the platform under Account. As long as there is sufficient money in the Cash Account to cover this, the charge will be automatically paid.

If a charge starts to accrue due to insufficient money in the Cash Account, Cofunds will raise the money to pay for any outstanding Platform Charge by selling assets held in the Largest Fund in the deceased client's Account (this is separate from and will not follow any previously agreed Sale for Regular Payment or Funds Sale Instruction). For what 'Largest Fund' means, see Section A10.2.2. We'll recover our Platform Charge before final settlement of the Executors' instruction.

### Intermediary Fees and Charges (see Section A9 for applicability)

Payment of Intermediary Fees and Charges will stop upon notification of your death. This includes any unpaid amounts relating to the month prior to the notification of your death.

## A18 Our responsibilities to each other

### 18.1 If you cause us to suffer a loss

If you deliberately break these Terms & Conditions, or give us information for your Account that isn't true or accurate, you are responsible for any loss or liability that we, or our Nominee, suffer as a result (including any tax and reasonable expenses).

But if we or our Nominee are negligent, deliberately default, commit a fraud or don't fulfil our duties, you won't be responsible for any loss or liability we or our Nominee suffer as a result of that.

### 18.2 If something happens that we couldn't control

If you suffer a loss because of events or circumstances that are outside our reasonable control, we are not responsible for that. Examples could be when the loss is the result of a flood or earthquake.

## A19 In general

### 19.1 When we delegate

If we ask one or more third parties to help us provide services under this agreement, we are still responsible for the proper performance of those services.

### 19.2 Looking after your personal information

The way we hold your personal information under this agreement complies with the requirements of data protection legislation.

Cofunds is a registered Data Controller and a fully owned subsidiary of Aegon UK plc. Cofunds will use your information for the administration and servicing of your investments and all other related activities. We may disclose your information to other companies within the Aegon UK Group, future owners of our business, and suppliers we engage to process data on our behalf for these purposes. We may also disclose your information to organisations for compliance with legal and regulatory requirements.

With the exception of the above provisions, we will not pass on your details to any other third party without your permission, but we will disclose information concerning your investment to your Nominated Adviser.

Cofunds may transfer your information to countries outside of the European Economic Area for the administration and servicing of your investments. In such cases, contracts will be put in place to ensure that the service providers protect your information in accordance with the requirements of the Data Protection Act or any legislation that may be enacted to replace that Act.

### 19.3 A note for Civil Partners

When we talk about the rights and benefits of a husband or wife (sometimes referred to as a 'spouse') or a widow or widower in our literature, these rights and benefits also apply to registered civil partners under the Civil Partnership Act 2004.

### 19.4 Sending notices to us

Unless we tell you otherwise, you should send any notices to us at our Administration Address. We'll send any notices to you to your last known address and may also copy them to your Nominated Intermediary.

If you have given us a personal email address to help us provide services to you under this agreement, we can send you notices using that email address. You can give us a new email address at any time, or ask us to stop using email to communicate with you.

### 19.5 The law governing this agreement

These Terms & Conditions are governed by English law. The information in them is based on our understanding of current legislation and HM Revenue & Customs practice and could be affected by changes in legislation and practice.

If there is any conflict between these Terms and Conditions and the ISA Regulations or other legislation relating to your Account, the ISA Regulations and/or other legislation will apply.

# Definitions

**In this document, where words are defined in the singular, they're defined the same way in the plural. The same applies the other way round. That's unless it's obvious from the context that we don't mean it.**

**Whenever we say we, us, our or Cofunds we mean Cofunds Limited.**

**Whenever we say you or your we mean a person (including trustees, a company and any other legal entity) who invests in an Account through Cofunds.**

**Account:** An account that we open in your name to record investments that you make through the Cofunds Platform.

**Administration Address:** Cofunds Limited, PO Box 1103, Chelmsford CM99 2XY.

**Advised:** The Service Type that applies to you if you receive financial advice from your Nominated Adviser about investments made through the Cofunds platform. Your Adviser is responsible for making sure the investments are suitable for you. Your Adviser may charge you a fee. They may also be paid a Commission from the charges you pay on your investment.

**Adviser:** A person authorised by the FCA to conduct investment business, including acting as a financial Adviser.

**Annual Management Charge (AMC):** The amount a Fund Manager charges every year for the administration of their Fund. Part of this can sometimes be rebated back to you.

**Applicable Products:** The products that you've agreed with your Nominated Intermediary for their Intermediary Fees and Charges to apply to. Charges can be applied to cash held within an Applicable Product. Charges do not apply to the JISA until further notice.

**Application:** An application completed by you or on your behalf to invest in the Account through a JISA.

**Assets:** Investments, income, interest, cash balances and any other rights and entitlements from time to time held in your Account.

**Bank:** The bank or banks appointed by Cofunds to provide banking services to the Cofunds Platform. you can get details of the banks We hold money in by contacting your Nominated Intermediary or visiting the Cofunds website at [www.cofunds.co.uk/docs/gb/cofunds-rates-cg19-gb.pdf](http://www.cofunds.co.uk/docs/gb/cofunds-rates-cg19-gb.pdf)

**Business Day:** Any day when the London Stock Exchange is open for business.

**Cash Reserve:** An interest paying facility in your JISA, used for holding cash within your JISA.

**Child:** A Child under 18 years old who at the point of opening the Account is resident in the UK, or is a UK Crown Servant, married to or in a civil partnership with a Crown Servant, or a dependent of a Crown Servant.

**Client Account:** A non-interest paying account held by us, that is only used to hold client money on your behalf.

**Cofunds Client Reference:** The number given to the Account we hold in your name to record investments you make through Cofunds.

**Cofunds Junior Investment ISA (Cofunds JISA):** The Cofunds Junior Investment ISA, which is a stocks and shares JISA.

**Commission:** A sum paid to an Intermediary by a Fund Manager for arranging investments in Funds that they manage. This is usually paid by Cofunds as agent for the Fund Manager as a percentage of the transaction amount. It comprises both 'Initial Commission' (taken at point of purchase) and 'Trail Commission' - which is an annual percentage paid to the Intermediary for each year the Intermediary's client holds their investment in the Fund Manager's Fund. Only payable on Commission-included Share Class Funds.

**Commission-free Share Class:** A Fund Share Class where the Fund Manager does not pay Commission to your Intermediary.

**Child Trust Fund (CTF):** a child trust fund established in accordance with the Child Trust Fund Regulations 2004 as amended from time to time.

**Dealing Cut-off Time:** The time by which you need to have given us an investment instruction so that We can act on it by the Valuation Pricing Time.

**Explicit Pricing Model:** A Pricing Model where you pay Cofunds' Platform Charge and your Intermediary's charges separately from the price of Commission-free Share Class Funds

**Fixed Platform Charge:** This annual fixed cash charge may be charged as part of any different charging arrangement agreed with your Nominated Intermediary. It is deducted on a six-monthly basis in addition to the Platform Charge that is calculated on the value of your investments.

**FCA:** The Financial Conduct Authority, 25 The North Colonnade, Canary Wharf, London E14 5HS or any successor to all or any part of its functions.

**Fund(s):** An authorised unit trust, recognised scheme or open-ended investment company (or sub-Fund thereof) we make available for investment through your Account.

**Fund Manager:** The institution responsible for implementing a Fund's investment strategy and management of its investment portfolio and trading activities.

**Fund Sale for Platform Charges:** A sale of Your Assets - the proceeds from which are used to pay the Platform Charge. This is separate from Sale for Regular Payment.

**Fund Sale Instruction:** An instruction to Cofunds agreed by you and set up by your Nominated Intermediary to sell from your largest Commission-free Share Class Fund to cover payments due to go out of your Cash Account, in the event of a shortfall.

**Group 1 Units:** Are Units you've held for the whole of a Fund's distribution period.

**Group 2 Units:** Are Units you've bought during the Fund's distribution period. They automatically become Group 1 Units at the end of the distribution period. You get the same income from Group 1 and Group 2 Units but it is treated slightly differently for tax purposes. If you want to know more, please speak to your Nominated Intermediary or read the Fund prospectuses for the Funds you are transferring.

**Income:** All payments you receive as income including any tax payments we may reclaim for your Account.



**Intermediary:** A person authorised by the FCA to conduct investment business, who is registered to act for Self-directed investors but does not provide financial advice on their transactions.

**Intermediary Fees and Charges:** Any types of fees and charges that you have agreed to pay your Intermediary, including:

- Subscription Charges
- Service Charges
- One-off fees
- Ongoing monthly fees

**Intermediary Firm:** The Intermediary firm to which your Nominated Intermediary is attached, with whom Cofunds has entered into an agreement for the provision of the Cofunds platform.

**Investment Service:** A description of Service Type plus Pricing Model.

**Investor Money Trading Account:** A client money account that is held on your behalf in relation to cash services on the Cofunds platform. Examples of Investor Money Trading Accounts are the Cash Account and Cash Reserve.

**ISA:** An Individual Savings Account managed under the ISA Regulations.

**ISA Manager:** Cofunds Limited, acting in its capacity as manager of your ISA.

**ISA regulations:** The Individual Savings Account Regulations 1998, as amended, supplemented and modified from time to time.

**Junior Individual Savings Account (JISA):** A Junior Individual Savings Account for an eligible Child, which is managed under the ISA Regulations.

**Money:** Any client money held in the Cash Account, Consolidated Income Account and Cash Reserve for the purposes of future investment into and withdrawal from Funds.

**Nominated Intermediary:** An Adviser or Intermediary (as appropriate) that has been chosen by you to give instructions on your behalf on all matters to do with your Cofunds Account.

**Nominee:** A wholly owned subsidiary of Cofunds Limited which acts as a nominee company and for which we accept full responsibility.

**Platform Account Reference:** The number given to your Cash Account and used for payments into and out of the Cash Account.

**Platform Charge:** The price you pay to Cofunds for the use of our platform services.

**Pricing Model:** The way you pay for the services offered through Cofunds.

**Rebates Account:** An Investor Money Trading Account where the value of Rebates owed to you accrues, pending payment to you.

**Rebates:** These are payments back to you of part of the cost of investing in particular Funds, based on what's been agreed with the Fund Manager by Cofunds or by your Nominated Intermediary.

**Registered Contact:** The person who will give instructions to Cofunds for the management of the account. This is either a person with parental responsibility for the Child, or the Child themselves if they are aged between 16 and 18 and have applied to manage the account in place of the person with parental responsibility. There can be only one Registered Contact for an account at any time.

**Registered Office:** Cofunds Limited, Level 43, The Leadenhall Building, 122 Leadenhall Street, London, EC3V 4AB.

**Regular Investments:** A service that lets you set up regular monthly Investments into Funds via the Regular Savings Facility (RSF) for ISA and Funds.

**Reinvest:** An Income Choice you can make so that any income generated by your income Funds is used to purchase more Units of those Funds.

**Re-registration:** This means transferring your JISA onto or off Cofunds, or CTF into a JISA on Cofunds, without selling to cash i.e. transferring the product from one provider to another.

**Sale for Regular Payment (not applicable to the JISA until further notice):** A service to help manage the payments you ask us to make out of your Cash Account. You can set up a Sale for Regular Payment to ask us to sell some of your Funds to meet these payments in situations where there otherwise wouldn't be enough money in your Cash Account.

**Self-directed:** The Service Type that applies to you if you don't get financial advice and choose to make your own investment decisions using the information and support services provided by your Intermediary. Your Intermediary will carry out your investment instructions through the Cofunds platform. You are responsible for making sure the investment is suitable for you. Your Intermediary may charge you a fee. They may also be paid a Commission from the charges you pay on your investment.

**Service Charge:** A percentage-based monthly charge that may be applied to your Account by your Intermediary, if you agree this with them.

**Service Type:** (also sometimes called 'Advice Type' online or on forms). The type of Cofunds service that your Adviser or Intermediary has linked your Account to on the Cofunds Platform - either Advised or Self-directed.

**Share Class:** A classification given to different types of mutual Fund. Each class has different characteristics and may include or exclude Commission paid to your Intermediary in the cost.

**Subscription Charge:** A fixed charge taken at an agreed frequency that may be applied to your Account by your Intermediary, if you agree this with them.

**Tax Year:** A year beginning on 6 April and ending on the following 5 April.

**Terms:** These Terms and Conditions, as changed from time to time, together with your Application. These Terms and Conditions take priority if there are any differences or contradictions with your Application.

**TISA Exchange (TeX):** An association established by the Tax Incentivised Savings Association (TISA) to help facilitate Re-registration via the electronic transfer of wrappers and assets between Fund Managers, Platforms, wealth managers and any firm which holds assets on behalf of investors.

**Units:** Units or Shares of any class in a Fund, including any fractions or decimals of units.

**Valuation Pricing time:** On a Business Day, the time set by the Fund Manager when a Fund is valued and the price of Units set.

