

Terms of Business

1. Definitions

“Act” means the Financial Services and Markets Act 2000 as amended or re-enacted from time to time.

“Authorised Person” means a person authorised under the Act to conduct investment business in the UK or authorised to conduct investment business in the country where that person is operating.

“Business” or “Investment Business” means the business of engaging in one or more of the activities described in Schedule 2 Part I of the Act.

“Business Day” means Monday to Friday excluding any day which is a public holiday in the United Kingdom and/or on which the London Stock Exchange is not open for business.

“Client” means anyone who holds or applies for units or shares in any fund managed by us.

“Client Money” as defined by the Act as amended or replaced from time to time.

“FCA” means the Financial Conduct Authority or any successor body.

“FCA Handbook” means the rules and guidance contained in the FCA’s Handbook.

“Fund Administrator” means a company responsible for the administration of SVM Asset Management Limited’s funds.

“Intermediary” and “you” means an independent intermediary, stockbroker or other professional adviser who is an Authorised Person.

“Investment” means cash or units or shares in a fund managed by us

“JMLSG” means the Joint Money Laundering Steering Group.

“Key Investor Information Document” means a short document containing key investor information for investors on the essential elements of a UCITS scheme.

“Pre-RDR Business” means business introduced to us by the Intermediary prior to 31 December 2012.

“RDR” means the FCA’s Retail Distribution Review project, which include a retail adviser charging regime as implemented by the rules in the Conduct of Business Sourcebook section of the FCA Handbook

“Settlement Date” means the date of application or the date stated in the relevant Fund Prospectus and Terms & Conditions as the date the payment is due.

“Supplementary Information Document” means a document prepared in accordance with the FCA rules on preparing product information.

“SVM Funds ICVC” means investment company with variable capital managed by SVM Asset Management Limited.

“We” and “us” means SVM Asset Management Limited, 7 Castle Street, Edinburgh EH2 3AH.

2. Application

(a) These Terms of Business are the terms on which we will accept Business from and pay commission to Intermediaries. They are legally binding and apply to any dealings

Intermediaries may carry out through or with us. By placing Business with us Intermediaries are deemed to have read, understood and accepted these Terms of Business.

(b) This document replaces any previous terms and conditions or agreements between the Intermediary and us.

(c) All initial applications for investments must be made in writing by submitting an original, completed and signed application form.

(d) You agree that you do not object to receiving calls from us or our agents.

(e) We will treat you as a Professional Client for the purposes of the FCA Rules. Whilst you are entitled to request a different categorization under the FCA Rules, we will not be able to do any business with you as a Retail Client or Eligible Counterparty or you cease to be appropriately authorized to carry on Business.

3. Scope

(a) We will not accept Business from you or pay commission to you if you are not or you cease to be an Authorised Person. By placing Business with us you confirm your status as an

Authorised Person and undertake to notify us immediately in writing if your authorization is altered, suspended or revoked in any way. We reserve the right to ask you to provide evidence of your authority to act for a client and your status as an Authorised Person.

(b) When commencing business with us, you must notify us in writing of your FCA authorisation number (or other regulatory body where appropriate).

(c) These Terms of Business should be read in conjunction with the current Key Investor Information Document, Supplementary Information Document and Prospectus for the SVM Funds ICVC and other terms and conditions of any of our product range.

(d) The service that we provide consists of execution only and/or the reception and transmission of client orders in relation to shares provided at the initiative of the client. We do not assess the suitability of the investments offered to your clients and therefore you and your clients do not benefit from the protection of the FCA Rules on suitability.

4. Settlement & Payment

(a) Unless otherwise agreed with us, payment for any investment placed by an Intermediary must be received by the Fund Administrator no later than the Settlement Date. We reserve the right to cancel any application in respect of a payment which is not made on or before the Settlement Date, without prior notice to the Intermediary or Client.

(b) We also reserve the right to refuse, at our discretion, any investment order or application. Where this discretion is exercised the Intermediary or Client will be informed as soon as possible.

(c) Where you are authorised to hold Client Money, you shall keep us indemnified in full against all overdraft charges, costs and losses which may occur as a result of any failure to make due payment on the Settlement Date in accordance with these Terms of Business. We reserve the right to suspend trading activities should you fail to make settlement within the agreed payment terms. This provision will not apply if the delay does not result from any failure on the Intermediary’s or Client’s part to comply with our dealing procedure.

(d) Our Fund Administrator will not make redemption payments in favour of third parties, only in the name of the legal owner of the investment.

(e) If you have undertaken to a Client to pass monies to us or our funds, you must do so promptly.

5. Commission

Where permitted, in accordance with the FCA Handbook, as amended from time to time:

(a) We will pay renewal commission on Investment Business submitted by Intermediaries on advised investments made into our SVM Funds ICVC according to our commission scale in force at the time of the transaction. We reserve the right to vary these rates at our discretion. From 31 December 2012, renewal commission in respect of pre-RDR Business will continue to be paid to the Intermediary unless that business is subject to further advice by the Intermediary to the Client on or after 31 December 2012.

(c) We may at our discretion, cease paying commission to an Intermediary, in the following circumstances;

(i) If the Intermediary ceases to be authorised to carry out Business or if authorisation is suspended.

(ii) In respect of any person for whom the Intermediary ceases to be the agent.

(iii) If the Intermediary dies, becomes bankrupt, compounds with or assigns his estate or effects for the benefit of creditors, has his goods seized or, where the Intermediary is a company, if it goes into liquidation, receivership or is subject to an administration order.

(iv) If the Intermediary is subject to an investigation under Part XI of the Act or under the rules of the relevant regulatory body.

(d) As an Intermediary, you must not solicit or receive commission on or after 31 December unless you are permitted to do so under RDR. It should be noted that no commission is payable in respect of “B” shares classes in any of our funds.

(e) If your Client exercises a statutory right of cancellation, you will immediately repay to us any commission we have paid to you for the transaction. All or any amount of commission otherwise due to be repaid by you (whether or not due to the exercise of a statutory right of cancellation) may be deducted by us from any other amount of commission we are due to pay to you.

6. Documentation

(a) We have an obligation to send certain administrative and legal documentation (e.g. contract notes, periodic statements, cancellation notices) directly to the Intermediary's Client. We also reserve the right to send other documents (e.g. notices of meetings) and communications directly to the Client as may be required.

(b) You must ensure that your Client has received, prior to dealing, a copy of the relevant Key Investor Information Document, Supplementary Information Document and Prospectus for the SVM Funds ICVC and any relevant document supplied by us to you from time to time. The deal will be accepted by us on that basis. You must also offer the Client a copy of the most recent annual or half-yearly report for the relevant fund.

(c) Immediately and without amendment Intermediaries will pass on any documents we supply for the Client and any documents provided by the Client for the attention of us.

(d) Intermediaries will not produce, publish or distribute any promotional material using our trademarks or logos unless they have obtained written permission from us to do so. For the avoidance of doubt, this clause will not apply to the distribution of materials supplied by us for the attention of your clients.

(e) A letter or other document will be deemed to have been duly served if it is sent by post to, or left at, the address of the Intermediary as it appears on our database or subsequently notified by you to us in writing. Any letter or other document sent by first class post shall be deemed to have been served on the Business day following that on which it was posted.

7. Agency

(a) As an Intermediary, you will be the agent of the Client in relation to the Client's investment dealings. You have no authority to act as our representative.

(b) If you act as principal in any transaction you must inform us at the time you place the order.

8. Money Laundering

(a) You undertake to comply with all statutory and other requirements in relation to money laundering including the Proceeds of Crime Act 2002, the JMLSG Guidance Notes, the FCA's Client Money Rules and any other applicable Rules of the FCA and the Money Laundering Regulations 2017, each as amended from time to time, (jointly "The Money Laundering Requirements").

(b) Where a customer agreement, terms of business letter or similar arrangement exists which constitutes a business relationship between an Intermediary and his Client, you will take full responsibility for verifying the identity of your Client including the maintenance of records, supporting evidence and methods used to verify identity as required in respect of any transaction with us.

(c) You undertake to fulfil the Client identification procedures necessary under the Money Laundering Requirements and provide the relevant introduction certificate to our Fund Administrator alongside certified copies of the underlying documentary evidence. We reserve the right to require that full identification procedures be undertaken whether or not the investment amount exceeds 15,000 Euros (or Sterling equivalent).

9. Indemnity

(a) The Intermediary hereby indemnifies us, for any loss, cost, damage or claim resulting to us from;

(i) any failure by the Intermediary to comply with the provisions of the Act, any regulations made under it and the Rules of any relevant regulatory body;

(ii) any breach by the Intermediary or its employees, directors, officers or agents of the set Terms of Business;

(iii) the inaccuracy of any information, statement or instruction given to us or our agents by the Intermediary; or
(iv) failure by the Intermediary or the Client to settle any transaction for Investments or delay in doing so.

10. Variation

(a) We reserve the right to vary these Terms of Business but except in so far as required by the Act or any regulations made thereunder or any rules of a relevant regulatory body or recognised professional body;

(i) no variation will affect the execution and settlement of orders which have been placed with us prior to the time of the variation;

(ii) we will give you reasonable notice of any material variations to these Terms of Business

(b) The Intermediary is not entitled to sub-contract or transfer any of its rights and obligations under these Terms of Business without the prior written consent of SVM Asset Management Limited.

11. Termination

(a) We may terminate these Terms of Business at any time.

12. Data Protection

(a) SVM Asset Management Ltd will handle all personal information in accordance with the Data Protection Act 2018 and General Data Protection Regulations.

(b) Personal information provided by you will be held in confidence by SVM Asset Management Limited and its agents and will not be passed on to anyone except where we or any third party acting on our behalf are legally compelled or permitted to do so otherwise as agreed with you.

(c) We will not provide personal data to an Intermediary except in relation to persons who are Clients of the Intermediary.

(d) For full details of how we use your personal information please refer to our Privacy Policy on our website.

13. Communications

We will generally only communicate with you by letter or telephone unless we agree otherwise. All our communications and documents will be in English only. Telephone calls may be recorded for security and training purposes.

14. Conflict of interest

Where the Manager has a material interest in a transaction or a relationship with another party which may involve a potential conflict with their duty to you, then we have systems and controls in place to ensure your fair treatment.

15. Governing Law

(a) These Terms of Business will be governed and construed in accordance with the laws of Scotland. The laws of Scotland will apply as the basis of establishment of relations with you and will be the applicable law for any dispute between us. The Scottish Courts will be regarded as the competent courts for any such disputes.

For further information on our range of products and services please contact:

SVM Asset Management Limited

7 Castle Street
Edinburgh EH2 3AH

IFA Helpline: 0800 019 9110

email: info@svmonline.co.uk

SVM Asset Management Limited is authorised and regulated by the Financial Conduct Authority, 12 Endeavour Square, London E20 1JN and is a member of the Investment Association. FCA number 146873. Company number 125817

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