



# Terms of Business for Intermediaries

## 7IM Platform Service

### 1. Application

- 1.1. These Terms of Business set out the basis on which we accept business from you in relation to the 7IM Platform Service, and govern the use of services we provide to you in connection with such business. These Terms of Business supersede any terms of business in relation to the 7IM Platform Service previously provided to you.

### 2. Definitions and interpretation

- 2.1. In these Terms of Business:

**'7IM', 'our', 'us' or 'we'** refers to Seven Investment Management LLP;

**'7IM Online Services'** means the 7IM Platform and any other website or web service or application (including the 7IM website at [www.7im.co.uk](http://www.7im.co.uk) and the 7IMagine mobile application) to which, at our discretion, we grant access to you or your Advisers;

**'7IM Platform'** means the investment platform system operated by 7IM and known as the '7IM Platform';

**'7IM Platform Service'** means the '7IM Platform Service' provided by 7IM, as detailed in our Client Terms;

**'Adviser'** means any person who conducts business on your behalf from time to time, whether directly or (where relevant) through or as an appointed representative (as defined in FCA Rules);

**'Applicable Law and Regulation'** means, in relation to a party, all applicable statutes, statutory instruments, regulations and other regulatory rules and guidelines, and regulatory permits and licences which are in force from time to time, including (without limitation and to the extent applicable to a party) FSMA and regulations made under FSMA, FCA Rules, JFSC Rules, the Data Protection Act 2018, Data Protection (Jersey) Law 2018 and the General Data Protection Regulation (EU 2016/679);

**'Authorised User'** means any individual you or any of your Advisers have authorised or permitted to access any Client's portfolio, and/or 7IM statement of Adviser payments that we facilitate, through any 7IM Online Service;

**'Business Day'** means, any day on which banks are open for business in London and (for Offshore Accounts) Jersey;

**'Client'** means a client who has nominated you or any of your Advisers as their financial adviser, and with whom we have entered into our Client Terms;

**'Client Terms'** means our terms and conditions under which we provide our 7IM Platform Service to clients;

**'Custodian'** means the entity appointed to provide custody, settlement and other associated services for Clients from time to time, as specified in our Client Terms;

**'FCA'** means the UK Financial Conduct Authority, or any other regulatory body which assumes its responsibilities from time to time;

**'FCA Rules'** means the principles, rules, regulations and guidance published by the FCA as part of the FCA Handbook of rules and guidance from time to time;

**'FSMA'** means the Financial Services and Markets Act 2000;

**'Intellectual Property Rights'** means all copyright (including rights in software), patents, rights in designs, trade marks, service marks, trade secrets, logos, get-up, trade names, internet domain names, moral rights, database rights, rights to data, utility models, rights in know-how and other intellectual property rights, in each case whether registered or unregistered and including applications for registration, renewals or extensions and all rights or forms of protection having equivalent or similar effect anywhere in the world;

**'JFSC'** means the Jersey Financial Services Commission, or any other regulatory body which assumes its responsibilities from time to time;

**'JFSC Rules'** means the JFSC Code of Practice for Investment Business and any other regulatory requirement published by the JFSC, each as amended, supplemented or replaced from time to time;

**'Offshore Account'** means a Client account where we have been instructed to appoint a Custodian outside the UK (details of such Custodian being specified in the Client Terms);

**'Security Details'** means any user name, PIN, password or other security details provided by 7IM to you or any of your Advisers and Authorised Users from time to time in order to access 7IM Online Services;

**'Terms of Business'** means these Terms of Business for Intermediaries in relation to the 7IM Platform Service, as amended from time to time by notice to you; and

**'you'** or **'your'** refers to the financial adviser or intermediary firm, partnership, company or other entity on whose behalf these Terms of Business have been signed, and who is (i) authorised by the FCA to carry on regulated activities relevant to our relationship under these Terms of Business or an appointed representative of such an authorised person (as such terms are defined in the FCA Rules), or (ii) in respect of a non-UK intermediary, authorised by an overseas regulator to carry on activities relevant to our relationship under these Terms of Business.

- 2.2. In these Terms of Business, headings do not affect interpretation and, unless the context otherwise requires:
- 2.2.1. words denoting the singular include the plural (and vice versa), other grammatical forms of a defined term have a corresponding meaning, and an expression denoting a person includes a partnership, or any corporation or unincorporated body or association, as well as an individual;
  - 2.2.2. a reference to any statute, statutory provision or regulation is a reference to it as it is in force for the time being (including any amendment or re-enactment of it, or any subsequent statute, statutory provision or regulation which replaces it), and includes any subordinate legislation or instrument in force for the time being made under it;
  - 2.2.3. a reference to **‘in writing’** or **‘written’** includes where effected by post, fax, email or other form of electronic communication;
  - 2.2.4. a reference to **‘month’** or **‘quarter’** shall be to a calendar month or a calendar quarter respectively;
  - 2.2.5. a reference to the **‘UK’** is to the United Kingdom of Great Britain and Northern Ireland. This excludes the Isle of Man and Channel Islands; and
  - 2.2.6. **‘including’**, **‘for example’**, **‘in particular’**, **‘such as’** or any similar words or expressions shall be construed as being by way of illustration or emphasis only, and do not limit the generality of any preceding words.

### 3. Clients

- 3.1. Once we accept your application to use the 7IM Platform for the purposes of your Clients, we will provide you with access to the 7IM Platform in accordance with our procedures. We reserve the right to decline an application to use the 7IM Platform at our discretion. You acknowledge and agree that these Terms of Business shall apply in respect of your use of the 7IM Platform for your Clients.
- 3.2. You and your Advisers shall not be 7IM’s agent for any purpose, and shall have no authority to make representations for, act in the name or on behalf of or otherwise bind, 7IM in any way.
- 3.3. We do not undertake to accept all clients introduced by you or your Advisers, and reserve the right at our discretion not to accept business.
- 3.4. Notwithstanding that you and your Advisers shall retain your client relationship with and associated duties to Clients, you acknowledge and agree that we will treat Clients as clients for the purposes of applicable regulatory requirements in respect of services we provide to them as provided for in our Client Terms.
- 3.5. You are responsible for ensuring that each Client’s authority in respect of any dealing or other instruction given to us by you or your Advisers has been validly obtained. We will not be responsible for deals we place, or other instructions we carry out, on any Client’s behalf if you and/or the relevant Adviser does not have the Client’s authority to either place deals on instruction from them or act in a discretionary capacity on their

behalf. You and your Advisers should only instruct transactions for a Client if you have no reason to consider that they are likely to become insolvent. You are responsible for ensuring that you and your Advisers are acting, at all times, in accordance with these Terms of Business and your or their agreement with each Client, and that we are notified as soon as possible if you or any of your Advisers cease to have authority to act as agent in respect of any Client.

#### **4. The 7IM Platform Service**

##### **4.1. Suitability and appropriateness**

4.1.1. The 7IM Platform Service is provided on an execution-only basis. The 7IM Platform Service does not offer financial or investment advice or any personal recommendations, and we will not therefore consider the suitability or appropriateness of any transactions entered into. This means that you, as the Client's agent, are responsible for compliance with Applicable Law and Regulation regarding suitability and appropriateness. If you do not accept this responsibility, you must ensure that the client is warned appropriately in accordance with regulatory requirements. Without prejudice to this general undertaking, you will ensure that appropriateness assessments are carried out by you or your Advisers where required in respect of transactions in instruments that are regarded as complex under regulatory requirements. We may decline to carry out a transaction in a complex instrument where we have not received confirmation that an appropriateness assessment has been carried out.

##### **4.2. Instructions**

4.2.1. We will only accept instructions received through the 7IM Platform. We will not accept instructions via telephone, email or fax. This is with the exception that, where an instruction is not able to be received through the 7IM Platform for any reason, we may accept instructions by such other method as we may advise is satisfactory to us for this purpose from time to time. Any standing instruction received will remain in effect until a cancellation or replacement instruction is received. We may require any such cancellation or replacement instruction to be in writing and signed by an authorised signatory.

4.2.2. We will be entitled to rely and act on any instruction reasonably accepted as having been given by or on behalf of you or your Advisers or any person notified to us from time to time as being authorised to give instructions in respect of a Client account, and by whatever means transmitted, and (unless written notice to the contrary has been received by us) whether or not the authority of any such person has been terminated.

4.2.3. We reserve the right, at our discretion, to require confirmation of any instructions. We and the Custodian each further reserve the right, acting in good faith, to refuse to accept an instruction without any liability on our part. In no circumstances will we be required to act in accordance with any

instruction received where the instruction was not received in time for the required action to be taken, we reasonably believe that carrying out such instruction may not be possible or practical or might involve any breach of law or regulation, or we reasonably believe such instruction to be unclear, ambiguous, inaccurately transmitted or not to be genuine, or we do not have all of the necessary information or documentation to carry out the instruction. We will inform you or the relevant Adviser as soon as is reasonably practicable where we or the Custodian are unable to act on any instruction received.

- 4.2.4. You shall be responsible for ensuring that all instructions given by or on behalf of you or your Advisers are correct and within your or their regulatory authorisation or permissions and agreement with the relevant Client. No liability can be accepted for any loss arising as a result of any instruction given or omitted to be given to us. You agree to make good and reimburse (indemnify) us in respect of any losses or claims we may incur or suffer as a result of our acting in accordance with instructions given by or on behalf of you or your Advisers.

#### 4.3. Execution-only system and order execution policy

- 4.3.1. The decision to buy, sell and hold investments is your (or your Client's) decision – the 7IM Platform Service will not assist you or comment in any way regarding the choices made. Once a decision has been made and you have told us which transaction to carry out, you may not be able to change it in any way if you have changed your mind or for any other reason, and any transaction carried out will be valid and binding. We will carry out instructions on an execution only basis. Our execution policy sets out how we will execute transactions on behalf of Clients. A copy of our execution policy is available on our website at [www.7im.co.uk](http://www.7im.co.uk).

#### 4.4. Transactions

- 4.4.1. You are responsible for ensuring that all trade details are correct at the time of dealing and that Clients' portfolios are monitored on an ongoing basis. You will be able to see details of every transaction that we carry out for your Clients on the 7IM Platform. It is your responsibility to check that all transactions have been correctly carried out, and that all transaction details made available on the 7IM Platform are correct. If you become aware of a failed trade or an error, or the 7IM Platform does not display trade details for an instruction placed or indicates that an instruction has been executed which you did not authorise, you must raise this with us by telephone immediately and in any event within 5 Business Days of the transaction taking place, and ensure that corrective action is taken as soon as possible in accordance with the trading procedures available via the 7IM Platform from time to time. We will not be responsible for an error that you do not report within this timeframe, and will assume that you are in agreement with the relevant details shown on the 7IM Platform.

- 4.4.2. Without limiting any other provision of these Terms of Business, where we are able to facilitate trade amendments (and we may not be able to do so), you acknowledge and agree that any trade amendment which is requested by or on behalf of you or your Advisers for any reason (other than as a result of an error by 7IM), including where required as a result of an error by you or any of your Advisers, may be subject to a trade amendment fee payable by you to 7IM of £10 per trade. This fee is in addition to any applicable fees or charges that will be collected from your Client's portfolio in connection with such trading. You agree to make good and reimburse (indemnify) 7IM against any loss, damage, cost, expense, liability or payment incurred or suffered, including any compensation payment made to the relevant Client, in connection with any such trade amendment or error.

#### 4.5. Order minimums and cash balances

- 4.5.1. Orders will be subject to fund manager minimums and lot sizes, and 7IM Platform minimum transaction limits. Due consideration should also be given to any Client fees and charges which may apply, and these are detailed on our applicable current fees and charges sheet, together with the minimum portfolio size.
- 4.5.2. At any one time there must always be a minimum cleared cash balance of 2% of the value of the Client's portfolio (except for any portfolios where we have specified otherwise). This cash buffer will be calculated by the 7IM Platform as deals are placed. Please note that this cash buffer is not applied to portfolios invested in model portfolios, and cash in these portfolios may be periodically rebalanced to the cash allocation of the relevant model portfolio. It is the responsibility of the relevant Adviser to monitor each Client's portfolio so as to ensure that a sufficient cash balance is maintained and to take appropriate action in the event of insufficient cash balances or failed trades. If cleared cash does fall below the required minimum cash balance, or an account does become overdrawn, for any reason (including, for example, as a result of the deduction of any fees or charges, or the failure of a sell trade to settle), we reserve the right to refuse to accept any instruction and to sell any assets held by the Client, in any portfolio, so that the minimum cash balance is restored or the account ceases to be overdrawn as provided for in our Client Terms. We shall have no liability in respect of any choice made in selecting investments sold. We will inform the relevant Adviser when we plan to exercise these rights. We also reserve the right to realise assets held by a Client in order to discharge any fees and charges due, as detailed in our Client Terms.

#### 4.6. Securities available

- 4.6.1. The actual holdings in respect of which you may transact will depend on your level of FCA authorisation (or for non-UK intermediaries, on your level of authorisation or permissions from the relevant overseas regulator).

- 4.6.2. The open architecture of the 7IM Platform means that there is a wide range of investments available, including equity securities, fixed interest securities, and funds (unit trusts, OEICs, collective investment schemes). We may modify the range of available investments at our discretion.
- 4.6.3. There may be occasions when an investment in which you wish to trade (and which we would normally permit) is not set up for dealing through the 7IM Platform. In these instances we may have to ask you for more details in connection with the instrument to be traded. Trading will not be able to take place until the investment has been set up on the 7IM Platform and, following receipt of the first order, a dealing account has been opened between 7IM and the relevant provider of the investment.

#### 4.7. Settlement

- 4.7.1. You will be aware that not all instruments in all markets are readily tradable and should bear this in mind when carrying out transactions. We will not carry out any dealing instructions unless the cash to pay for purchases, or the investments to settle sales, are available in respect of the relevant Client's portfolio at the time. No short sales will be allowed – i.e. you will not be able to sell shares that a Client does not already own.
- 4.7.2. You acknowledge and agree that, under our Client Terms, Clients are also clients of the Custodian for clearing and settlement, and custody and nominee purposes. We will only carry out trades in respect of Client portfolios once assets are registered in the name of the Custodian's nominee. In addition, the Custodian reserves the right, in its absolute discretion, to refuse to accept any order or other instruction. If this happens, the Custodian will advise us of its decision and the reason for its decision unless precluded from doing so owing to any legal or regulatory constraints.
- 4.7.3. Transactions undertaken will be due for settlement in accordance with market requirements. These settlement terms will vary depending on the market and securities dealt in. We will not accept any instructions for non-standard or extended settlement.

#### 4.8. Best execution

- 4.8.1. We are obliged by FCA Rules to take all sufficient steps to obtain the best possible result for Clients when carrying out orders on their behalf. A copy of our order execution policy is available on our website at [www.7im.co.uk](http://www.7im.co.uk).

#### 4.9. Stop loss / limit orders

- 4.9.1. We will not accept stop loss or limit orders.

#### 4.10. Order priority, aggregation and allocation

- 4.10.1. If more than one order is received for any security, the orders will be executed in the order in which they were received. On occasion we may aggregate orders with orders for other clients if we consider that doing so



is unlikely to work to the overall disadvantage of any of the clients involved. However, it is possible that aggregating orders in this way may sometimes operate to the advantage and sometimes to the disadvantage of a client by giving a higher or lower price than might have been the case if an order had been placed individually. In the event that we are unable to fully carry out all transactions the subject of orders, we will allocate them between clients on a fair and consistent basis.

#### 4.11. Transaction reporting and 10% depreciation reporting

4.11.1. With regard to transaction reporting requirements for relevant transactions that we carry out for Clients, you authorise us to make or arrange transaction reports on your behalf and agree that you will not carry out or arrange transaction reporting for these transactions. You undertake:

- (a) to obtain (and renew when required) and provide to us a legal entity identifier for you and any relevant Adviser firms and for relevant Clients, and such further or alternative identification information that we require from time to time;
- (b) for each relevant transaction, to provide such information as we may require for the purpose of transaction reporting, including (without limitation) information regarding the order transmitter and decision maker for a transaction;
- (c) to provide at our request further information to correct errors or omissions in information you have provided or in a transaction report;
- (d) that information required by us will be provided within the time periods we specify;
- (e) that all information you and your Advisers provide is true, complete and accurate.

Where we carry out transaction reporting on your behalf under these Terms of Business, our responsibility will be to the competent authority and we shall have no liability to you in this regard. If you fail to comply with this clause 4.11.1 in respect of a relevant transaction we will be under no obligation to (but may) make or arrange a transaction report on your behalf, and/or will not be able to execute the relevant transaction. This will also mean that any Client accounts invested in a model portfolio which includes a reportable instrument will be delinked from the model portfolio and not rebalanced when the model portfolio is changed or rebalanced, and will therefore not be in line with the model portfolio's applicable risk profile.

4.11.2. In respect of portfolios where we have been informed that you (or if relevant any of your Adviser firms) are acting on a discretionary basis, and for all portfolios invested in a model portfolio or managed by a third party discretionary manager, we will inform you or your Advisers in the event that the overall value of the portfolio (as evaluated from the last periodic



statement) depreciates by 10% (and thereafter at multiples of 10%) within one Business Day. You agree that you and your Advisers shall be responsible for notifying Clients the same day as required by Applicable Law and Regulation, and that we will not notify Clients directly.

- 4.11.3. The services provided by us under this clause 4.11 are subject to change as a result of further regulatory developments and guidance. We will not be required to provide any services under this clause 4.11 to the extent prevented from doing so by any act or omission of you, your Advisers or any competent authority or any other circumstance beyond our reasonable control.

#### 4.12. Trade confirmations

- 4.12.1. Confirmations of investment transactions carried out will be made available to Clients as set out in our Client Terms.
- 4.12.2. You will be able to see details of every transaction that we carry out for each of your Clients on the 7IM Platform, but will not receive a paper confirmation.

#### 4.13. Cancellation rights

- 4.13.1. 7IM does not offer cancellation rights on trades executed via the 7IM Platform as we do not make personal recommendations in respect of such transactions. For products to which a right of cancellation applies under applicable regulation, we will, however, use reasonable endeavours to facilitate cancellation requests made under the terms of your or your Adviser's (as the case may be) agreement with the Client if they are advised to us within the timescales and circumstances provided for under regulatory requirements.
- 4.13.2. A Client may cancel their agreement with us as provided for in our Client Terms.

#### 4.14. Third party products

- 4.14.1. A range of third party provided products (e.g. tax wrappers, such as pensions or bond products) ('**third party products**') may be accessed via the 7IM Platform Service. Accounts opened with us for investments within a tax wrapper product will be in the name of the relevant trustee/product provider, who as the legal owner of account assets will also be our client for regulatory purposes. We may accept and act on any instruction or communication we receive from the provider, and any such instruction will override any conflicting instruction that we may receive from you or any Adviser.
- 4.14.2. Third party products may be subject to the relevant provider's terms and requirements, and you agree that you are responsible for adhering to these where applicable. You further acknowledge and agree that you shall be responsible for ensuring that all instructions given and investments held

comply with the permitted investments and restrictions applicable to such products and all applicable provider and regulatory requirements from time to time, and that in the event of any breach of such restrictions or requirements corrective action is taken with regard to relevant Client portfolios as soon as possible.

#### 4.15. Direct debit and regular investment instructions

- 4.15.1. Client payments to their 7IM account made by direct debit are processed by GoCardless Limited ('GoCardless') and paid to the Custodian. This is with the exception that direct debit instructions signed by Clients authorising the Custodian to collect direct debit payments from their bank account will be processed by the Custodian. GoCardless is authorised by the FCA to provide payment services. Money held on Clients' behalf by GoCardless will be held in a client money account with Royal Bank of Scotland (or an alternative selected provider). Payments made by direct debit will take at least two Business Days to reach the Custodian. Please be aware that the first direct debit payment will not occur (once we have opened the Client's 7IM account) until the direct debit arrangement has been set up, which can normally take up to 5 Business Days but may take longer. The first direct debit will be collected on the next collection date after the direct debit has been set up. If the collection date falls on a weekend or bank holiday, the direct debit will be collected on the next Business Day.
- 4.15.2. Where we receive direct debit instructions for Clients through the 7IM Platform from or on behalf of you or your Advisers, you accept that you are responsible for ensuring that such instruction has been authorised by the relevant Client and that you or your Adviser (as applicable) has acted in accordance with our 'Direct Debit Guide' available on the 7IM Platform and all applicable direct debit scheme rules and guidance. You will maintain records evidencing compliance with this clause 4.15.2, and provide us access to such records as and when required by us. You agree to make good and reimburse (indemnify) 7IM against any loss, damage, liability, cost or expense that we suffer or incur, including any payment made to the relevant Client, as a result of your failure to comply with this clause 4.15.2.
- 4.15.3. Where we have been instructed to use regular payments to arrange the purchase of investments on a Client's behalf, these investment instructions will only be carried out where (if a direct debit payment to the Client's portfolio has been set up) the payment has been received, and provided that sufficient cash is available in the portfolio. We shall not be responsible for losses arising from any failure or delay in the receipt of monies except to the extent that such loss arises directly from our negligence, breach of regulation or fraud. We will continue to carry out these investment instructions each month, normally within 5 Business Days of the payment being credited to the Client's portfolio or as otherwise instructed, until our receipt of a cancellation or replacement instruction. Please be aware that if a cancellation or replacement instruction is not made in time to cancel the

next direct debit payment, then it may still be collected and the monies invested in accordance with the existing instruction.

#### 4.16. Model portfolios and external managers

- 4.16.1. In relation to model portfolios of investments available through the 7IM Platform Service from time to time, or the appointment of a third party discretionary manager, please refer to Appendix 1 to these Terms of Business.

#### 4.17. General matters in relation to the 7IM Platform Service

- 4.17.1. For details of the 7IM Platform Service we will provide to Clients, please refer to our Client Terms. For details of our fees and charges to Clients, please refer to our applicable current fees and charges sheet. You acknowledge the scope and limitation of the services described in the Client Terms.
- 4.17.2. You are responsible for ensuring your Advisers disclose all fees and charges arising in respect of the 7IM Platform Service and transactions carried out for Clients in accordance with Applicable Law and Regulation, including your or Adviser charges as well as 7IM's fees and (if applicable in respect of third party products and services) any third party's fees, and that the authority of Clients for these amounts to be deducted and paid from their 7IM Platform portfolio has been validly obtained and submitted to us in accordance with our relevant procedures.
- 4.17.3. You undertake to disclose to Clients all materials required to be disclosed under Applicable Law and Regulation from time to time, including (without limitation) prospectuses and key investor information documents where relevant and not to make any representations which are inconsistent with such materials. You further undertake that you will ensure that purchases through the 7IM Platform for Clients will comply with fund prospectuses and other product documents, applications forms and Applicable Law and Regulation, including (without limitation) restrictions on distribution.
- 4.17.4. 7IM is subject to obligations under Applicable Law and Regulation regarding product governance. These obligations derive from 7IM's position as a manufacturer and/or distributor of financial instruments. In order to allow 7IM to discharge these obligations, you undertake to provide such information as to Clients, their compatibility with the target market for financial instruments, any complaints regarding financial instruments and otherwise as reasonably required by us to comply with the product governance regime. We will let you know from time to time what information we require, and you undertake to comply with our requirements as to the information and the timing of its provision.

### 5. Promotion of 7IM services

- 5.1. Other than materials made available by us for distribution, you shall not (and shall ensure that your Advisers do not) use, distribute or publish any literature or marketing

or promotional materials for 7IM products or services, or any other materials containing any name, logo or trade mark of 7IM, whether in print, electronic or other form or medium, without our prior review and written approval of such materials.

## **6. 7IM Online Services**

### **6.1. Nature of 7IM Online Services**

- 6.1.1. 7IM Online Services enable your Authorised Users to, amongst other things, access details of your Clients' portfolios.
- 6.1.2. Any information or tools accessed through 7IM Online Services are made available for your general information and are not, nor form part of, any advice or recommendation as to any particular course of action or recommendation on any particular investments, either within your Clients' portfolios or otherwise. Any reliance on any such information is entirely at your and your Advisers' own risk.
- 6.1.3. Any prices made available via any 7IM Online Service are either indicative at the time, the previous Business Day's closing price or the most recent price provided by the relevant third party data provider. Live market prices are subject to constant change.
- 6.1.4. Nothing on any 7IM Online Service constitutes an offer for sale or subscription of, or any invitation to offer, to buy or subscribe for, any securities, nor constitutes any financial or investment advice or recommendation.

### **6.2. Access and Authorised Users**

- 6.2.1. Advisers and other client managers within your practice may be authorised as Authorised Users to access your Clients' portfolios and place deals on behalf of your Clients, and/or to access 7IM statements of Adviser payments that we facilitate, provided that we receive from you authorisation to set them up with the relevant Security Details as required under our data security procedures. You are responsible for ensuring the initial and ongoing accuracy of details provided to us for each Authorised User, and for ensuring that we are notified of any changes to Authorised Users or their permitted level of access. If at any point their access and/or permissions should be removed – for example if they leave your practice - it will be your responsibility to ensure that we are advised as soon as possible so that we can disable the relevant Security Details.
- 6.2.2. We will allocate Authorised Users with Security Details. You shall be fully responsible for the use of any Security Details, and for any losses incurred as a result of failing to keep your Security Details or any devices used to access 7IM Online Services secure. You shall ensure that Security Details are kept confidential and not disclosed or otherwise made available to any person other than the relevant Authorised User. To avoid accidental disclosure, Security Details should not be recorded in any form by which they could be recognised as such by any other person. If you or any

Adviser or Authorised User becomes aware or suspects that any Security Details have been disclosed to or known by any other person, you shall be responsible for ensuring that we are notified immediately. Access to 7IM Online Services may be suspended until we have allocated new Security Details.

- 6.2.3. You shall ensure that all Authorised Users are aware of and comply with all applicable provisions of these Terms of Business.
- 6.2.4. You acknowledge and agree that wherever any request or instruction is communicated to us by a person using Security Details allocated to any of your Authorised Users, that request or instruction shall be considered to have been made by or on behalf of you or the relevant Adviser and with all requisite authority, and you agree to be bound by such request or instruction and any resulting transaction. You agree that we may act on such request or instruction without further confirmation. Notwithstanding this, we may, in our discretion, refuse to act on or effect any request or instruction which we believe or suspect not to have been validly authorised, or require confirmation of any particular request or instruction.
- 6.2.5. 7IM Online Services must not be used for any unlawful, unauthorised or improper purpose. We may suspend access to any 7IM Online Service that we believe you or any of your Advisers or Authorised Users may be using in an unlawful, unauthorised or improper manner.
- 6.2.6. You acknowledge that access to all or part of the 7IM Online Service may be restricted or prohibited by law in jurisdictions outside England and Wales. You are solely responsible for ensuring that any access and use of the 7IM Online Services by Authorised Users is in full compliance with applicable law and regulation.

### 6.3. Security and availability

- 6.3.1. You acknowledge and agree that internet or other network transmissions are never completely private or secure. Any information you view, access, transmit or receive using 7IM Online Services may not therefore be secure notwithstanding the technical measures we take. We will use reasonable endeavours to ensure that 7IM Online Services are secure, and that 7IM Online Services remain accessible during normal business hours, but do not guarantee this. Notwithstanding the security measures we have put in place, we shall not be liable for any loss or damage suffered by any person as a result of a breach of security relating to, or the unavailability of, 7IM Online Services (howsoever this may arise). We may suspend or restrict the availability of all or any part of 7IM Online Services at any time at our discretion, including in connection with any computer virus or malicious or disabling code, communications failure, breakdown or other malfunction, planned or emergency maintenance, or certain market conditions.
- 6.3.2. You acknowledge that we will make updates (which may vary the mode of operation of, or the facilities comprising) 7IM Online Services from time to

time without you having any recourse to us. We shall endeavour to give reasonable notice of any updates.

#### 6.4. Intellectual Property Rights and permitted use

- 6.4.1. The Intellectual Property Rights in all elements of 7IM Online Services, including software, databases, model portfolios, data and other information used or accessed through 7IM Online Services, shall remain vested in 7IM and/or our licensors, and you and your Advisers and Authorised Users will not acquire or retain any proprietary right, title or interest in such elements. You may use the areas and functionality of 7IM Online Services to which we grant you access from time to time solely to the extent permitted by these Terms of Business and any supplementary terms of use that we may notify (including online when accessing 7IM Online Services). In particular, other than to the extent incorporated within materials made available by us for distribution to Clients and prospective Clients, you and your Advisers and Authorised Users must not copy, reproduce, redistribute, publish or commercially exploit any software, database, model portfolio, data or other information accessed, and must not remove any copyright or other proprietary notices from such information. This licence is non-transferable and shall automatically terminate on the termination of our relationship under these Terms of Business. You are responsible for obtaining the relevant third party licences for reproduction and/or extraction or redistribution of any third party data contained within our products or services.

### 7. Payment of Adviser charges

#### 7.1. Initial charges

- 7.1.1. Where the Adviser has agreed an initial charge with a Client which the Client has confirmed to us in accordance with our relevant procedures, the 7IM Platform will enable your relevant Authorised Users to instruct us to deduct and pay these amounts from the assets transferred to 7IM portfolios (subject to clause 7.5). The initial charge may be up to a maximum of 3% of the value of assets transferred to 7IM portfolios (whether expressed as a percentage of the assets transferred or as a fixed amount). Initial charges will not be paid on assets transferred between 7IM portfolios, any monies credited to a 7IM portfolio under a loan arrangement, or (unless otherwise agreed) regular contributions.
- 7.1.2. 7IM does not itself charge an initial fee. Nor do we retain any of the initial charge agreed by the Adviser.

## 7.2. Ongoing service charges

- 7.2.1. Where the Adviser has agreed an ongoing service charge with a Client which the Client has confirmed to us in accordance with our relevant procedures, we will deduct and pay these amounts as follows:
- (a) ongoing service charges shall be calculated at the rate(s) per annum specified in the relevant Client authority, up to a maximum of 1% per annum (unless otherwise agreed by the Client and by 7IM); and
  - (b) ongoing service charges shall be calculated and paid monthly, based upon the average daily value (using closing mid-market prices) of the assets in the relevant portfolio(s) of the Client during the relevant month and subject to accepted instructions as to whether cash values are included. It is acknowledged that model portfolios are regarded as investments, and therefore cash in portfolios linked to a 7IM or third party model portfolio will be included in the value of assets subject to ongoing service charges.

## 7.3. Dealing charges

- 7.3.1. Where applicable (and subject to clause 7.5), 7IM shall calculate per trade dealing charges in respect of each month.
- 7.3.2. The charge per trade shall be calculated based on the percentage amount indicated at the time the trade is instructed via the 7IM Platform dealing screens, multiplied by the value of the investment transaction. The maximum per trade dealing charge is 3%.

## 7.4. Payment and exclusions

- 7.4.1. Subject to this clause 7, the above payments shall be made as follows:
- (a) we will pay initial charges due that have been instructed through the 7IM Platform, subject to the amount calculated not falling below any de minimis threshold that may be applied and in accordance with our weekly payment cycles;
  - (b) within 20 Business Days after the end of each month, we will pay ongoing service charges due in respect of the preceding month; and
  - (c) within 15 Business Days after the end of each month, we will pay per trade dealing charges due in respect of trades carried out during the preceding month.
- 7.4.2. It is the responsibility of the relevant Adviser to monitor each Client's portfolio so as to ensure that a sufficient cash balance is maintained and to take appropriate action if not. You further acknowledge and agree that we are entitled to sell or otherwise realise any assets held in a Client's portfolio, without further notice, to discharge any fees and charges (including Adviser charges) due in accordance with our disinvestment



procedure as detailed in our Client Terms. If there are insufficient cleared monies:

- (a) instructions to deduct and pay initial charges will not be able to be carried out; and
- (b) on a monthly basis, 7IM shall review whether outstanding ongoing service charges due can be collected from available cleared monies in the relevant Client portfolio(s), and if so pay such due amounts.

7.4.3. Any amounts that are due to you pursuant to this clause 7 in respect of you or an Adviser are referred to as '**Facilitated Payments**'. We will make fee reports and statements of Facilitated Payments available on the 7IM Platform where they will be accessible by your Authorised Users, or via such other method as we may deem appropriate from time to time. These detail the rates applied and you are responsible for reviewing these and promptly raising any queries. You are responsible for ensuring you and your Advisers, for all Facilitated Payments, obtain the agreement of each Client to these charges and the deduction of these amounts from their 7IM account. You must ensure that all Facilitated Payments deducted correspond both in amount and frequency with what has been agreed with the Client. All Facilitated Payments deducted from the account of a Client from time to time that are not immediately paid to you will be held by 7IM as your agent in a 7IM corporate bank account. You acknowledge and agree that, as soon as any Facilitated Payments are deducted from the account of a Client, that Client will have fully discharged their obligations to pay those amounts to you or any Adviser (irrespective of when payment is subsequently made to you by 7IM). You further acknowledge and agree that neither you, nor any Adviser, will have a right to claim, or will take any action to claim, those amounts from a Client, as only 7IM will have an obligation to pay you or any Adviser any amount in respect of Facilitated Payments that have been deducted from a Client's account.

7.4.4. 7IM will pay Facilitated Payments to your nominated bank account. You are responsible for notifying us in writing of your nominated bank account, and of any requirement to change any of your nominated bank account details held by us from time to time. We accept no responsibility for Facilitated Payments being paid to a bank account which is no longer current where you have failed to keep us up to date with your nominated bank account details. Facilitated Payments will be made in pound sterling (GBP). In collecting any Facilitated Payments or any fees due to us or the Custodian under our Client Terms, we are entitled to convert currencies and carry out foreign exchange transactions at such rates and in such manner that we determine at our discretion.

7.4.5. Nothing in these Terms of Business requires 7IM to pay any amount to the extent that it relates to a period during which the Adviser was not the servicing financial adviser of the Client, and in such circumstances we will look to the Client for instructions as to any Facilitated Payments. 7IM will

only be required to make Facilitated Payments to the extent that we have received the appropriate authority of the relevant Client. We shall not be required to pay any amount where the Client (which shall include, for the avoidance of any doubt, the relevant trustee or product provider in the case of a wrapper account) instructs us not to pay or to cease paying such amount, or to the extent that payment would be inconsistent with these Terms of Business or Applicable Law and Regulation. You shall be responsible for ensuring that all Facilitated Payments which are requested to be made by 7IM by or on behalf of you or your Advisers are in full compliance with your obligations under these Terms of Business, Applicable Law and Regulation and any relevant third party terms and conditions in respect of third party products (if applicable), and agree to provide all co-operation and information reasonably requested by us in order to confirm such compliance.

- 7.4.6. If there is a dispute about whether any amount is payable under these Terms of Business, we may withhold payment of the amount in dispute until the dispute is resolved.
- 7.4.7. Any value added tax or similar tax ('VAT') liability is your responsibility. We are not VAT experts, nor hold ourselves out to be, so we cannot accept any liability for acting on any instruction we receive in relation to whether to collect VAT in respect of Facilitated Payments. If you are in any doubt, you should consult appropriately qualified professional advisers in relation to your specific circumstances. You shall be responsible for confirming to 7IM whether, in respect of Facilitated Payments, an additional amount should be deducted from the relevant portfolio and paid to you for VAT by completing our relevant form of instruction for this purpose from time to time, and for informing us promptly if your instruction changes. You acknowledge and agree that you (or the relevant Adviser, as applicable) shall be responsible for accounting for VAT to the relevant tax authority as required under Applicable Law and Regulation. No liability can be accepted by us for any loss occasioned as a result of any instruction given or omitted to be given to us in relation to whether VAT should be deducted from a Client's portfolio in respect of Facilitated Payments.
- 7.4.8. We shall have the right to set off any amount(s) due to us against any amount(s) due to you. Without limiting the foregoing, we shall be entitled to demand from you repayment of any payment we have made to which you are not entitled, and you shall promptly repay such amount as directed.

## 7.5. Offshore Accounts

- 7.5.1. With regard to Facilitated Payments in respect of Offshore Accounts denominated in a currency other than pounds sterling, until such time as we notify you otherwise (which may, for example, be by way of updates to 7IM Platform functionality):
  - (a) in relation to initial charges, we will continue to pay these amounts on a monthly basis and will only facilitate payment of initial charges

where the initial charge is a fixed amount (and not where expressed as a percentage of the value of assets transferred);

- (b) we will not facilitate payment of any per trade dealing charges;
- (c) the payment timeframes for Facilitated Payments provided for in this clause 7 shall not apply.

## **8. Applicable Law and Regulation**

### **8.1. Authorisation**

- 8.1.1. You represent, warrant and undertake that you are and shall at all times remain duly authorised by the FCA, and/or (as applicable) by any relevant regulatory authority or body in the jurisdiction(s) in which you operate, to carry on regulated activities relevant to our relationship under these Terms of Business (or exempt as an appointed representative of an FCA authorised person, as such terms are defined in FCA Rules). You further represent, warrant and undertake that you and your Advisers will maintain all relevant regulatory authorisations, permissions, approvals or exemptions, and will take all steps necessary to obtain any further authorisation, permission, approval or exemption which may be required from time to time. You shall notify us immediately of any relevant changes in the regulatory status, permissions or authorisations of, or of any relevant disciplinary or enforcement action taken by any regulatory body against, you or your Advisers. You shall indemnify 7IM for any loss, damage, cost, expense, liability or payment incurred or suffered as a result of accepting business from you or any of your Advisers whilst not so authorised or exempt.

### **8.2. Anti-money laundering and other Applicable Law and Regulation**

- 8.2.1. We acknowledge our own responsibility for complying with our obligations under applicable anti-money laundering, financial crime and all other related requirements in carrying out activities relevant to our relationship under these Terms of Business.
- 8.2.2. You shall, and shall ensure that your Advisers, at all times comply with all Applicable Law and Regulation in carrying out activities relevant to our relationship under these Terms of Business, and not do or omit to do anything that would cause 7IM to be in breach of Applicable Law and Regulation. Without limiting the foregoing, you shall be responsible for:
  - (a) procuring to be done all acts reasonably necessary to assist us in meeting our anti-money laundering and financial crime requirements, including obtaining and recording evidence of the identity of any Client in accordance with Applicable Law and Regulation and providing to us such information and written confirmations in relation to any Client as we reasonably require to comply with Applicable Law and Regulation. You further acknowledge your responsibility for assessing Client behaviours against reasonable expectations, and

informing us promptly in the event you or any of your Advisers become aware of any activity which is not in line with these expectations or otherwise suspicious;

- (b) if you or your Advisers communicate any personal data to us, ensuring that the disclosure of such personal data to us for the purposes of our processing of such personal data is compliant with, and all appropriate notifications have been made to the full extent required by, Applicable Law and Regulation, including (without limitation) ensuring that you have the appropriate level of consent to allow you to pass to us and enable us to hold and process any health related data that you communicate to us. You agree to provide access to records evidencing compliance with this clause where reasonably requested; and
- (c) strict compliance with all laws and regulations relating to bribery and corruption (including, for the avoidance of doubt, the Bribery Act 2010) and relating to the facilitation of tax evasion in the UK and any other jurisdiction that may be relevant to activities in any way connected to business under these Terms of Business.

### 8.3. Our own obligations

- 8.3.1. We undertake to you that in our dealings with you under these Terms of Business we will comply with Applicable Law and Regulation. Nothing in these Terms of Business shall require us to do anything which is contrary to or inconsistent with Applicable Law and Regulation.

### 8.4. Intermediaries outside the UK

- 8.4.1. You shall (for the avoidance of any doubt) when conducting business with us remain responsible for compliance with your own obligations and duties under local law and regulation (or otherwise binding on you) and 7IM can only deal with you on this basis. Without qualifying the generality of this clause or any other provision of these Terms of Business, you undertake:
  - (a) to comply with any restrictions or limitations that apply to the business or activities you are permitted to conduct, and you accept that you shall be liable for any loss, damage, liability, claim, payment, cost or expense which is attributable to any conduct or instruction by you or your Advisers which is beyond the scope of your regulatory authorisation or permissions (or if relevant, any applicable exemption); and
  - (b) in the event of any conflict between laws or regulations that apply to us in our conduct of business and any law or regulation that applies to you in your jurisdiction, you represent and warrant that you are aware of any such matters and further undertake to endeavour to ensure that any such matters arising during our relationship under these Terms of Business are appropriately managed. If this is not

possible or you have any concerns in this regard, you agree to notify us in writing, and you further acknowledge and agree that there may be circumstances where you will need to cease to conduct business with us as a result.

## **9. Termination**

- 9.1. Subject to this clause 9, either party may terminate our relationship under these Terms of Business at any time by giving the other notice. In such cases ongoing service payments will continue to be paid subject to and in accordance with these Terms of Business.
- 9.2. Our relationship under these Terms of Business will be terminated automatically, and no further payments will be payable by us, if:
  - 9.2.1. you cease to hold any relevant authorisation, permission, approval or exemption; or
  - 9.2.2. you become bankrupt or insolvent, or unable or reasonably deemed unable to pay your debts when they become due, or cease or threaten to cease to carry on business, or have appointed a liquidator, administrator, receiver, administrative receiver, trustee or similar officer in respect of all or any part of your assets, or a petition is presented to you or an order is made or a resolution is passed or you are the subject of analogous proceedings for the appointment of such official or your administration, winding up or dissolution, or a meeting is convened for the purpose of considering such a resolution, or you enter into compulsory or voluntary liquidation, or take or suffer any similar action in consequence of debt.
- 9.3. Notwithstanding anything to the contrary in these Terms of Business and for the avoidance of any doubt, all business between us and you and your Advisers will be subject to Applicable Law and Regulation, so that we may take or omit to take any action (including varying or terminating our relationship under these Terms of Business by giving you notice) which we reasonably consider appropriate in order to ensure compliance with Applicable Law and Regulation.
- 9.4. Termination of our relationship under these Terms of Business will not affect any accrued rights or liabilities at the date of termination, nor the coming into or continuance in force of any provision which is expressly or by implication intended to come into or continue in force on or after termination. Further, it is acknowledged by both parties that notwithstanding any notice to terminate, these Terms of Business shall survive and continue to apply in respect of all Client accounts until such accounts have been closed. It is further acknowledged that our Client Terms shall continue to apply to our relationship with Clients until such accounts are closed.

## **10. Communications and notices**

- 10.1. We may contact you using the details you have provided to us. You should inform us promptly if these details change.

10.2. Our contact details are:

Seven Investment Management  
1 Angel Court, London EC2R 7HJ  
Telephone: 020 7760 8777

- 10.3. We may communicate with you by post, email, fax and through 7IM Online Services. We are entitled to rely on any communication from you which we receive. You acknowledge the inherent risk that electronic communications may not be received, or may be delayed, altered or intercepted during transmission, and we accept no liability for any loss or damage that you or others may incur as a result. You agree that we may monitor and/or record telephone calls and electronic communications which we receive or send. Telephone and electronic communications between us that result or may result in a transaction will be recorded. A copy of the recording will be available on request for a period of five or seven years from the date of the recording. We may make a charge for providing a copy of the recording.

## **11. Changes to these Terms of Business**

- 11.1. We may vary these Terms of Business from time to time by giving you notice, including by making a revised version available to you or notice on the 7IM Platform. Changes that are outside our control (including, for example, changes required as a result of a change in Applicable Law and Regulation) may take effect immediately or as notified to you. Where reasonably practical, all other changes will be notified to you at least 14 days in advance of taking effect.

## **12. General**

- 12.1. Except as specifically provided for in clause 7.4.3, nothing in these Terms of Business is intended to be construed as constituting or evidencing any partnership, or relationship of principal and agent, or any other fiduciary relationship, of any kind between the parties.
- 12.2. These Terms of Business set out the entire agreement of the parties in relation to its subject matter. Neither party has relied on any statement or representation by the other not expressly included in these Terms of Business.
- 12.3. Nothing in these Terms of Business is intended to confer on any third party any right to enforce any provision of these Terms of Business under the Contracts (Rights of Third Parties) Act 1999 or otherwise.
- 12.4. These Terms of Business shall be binding on each party's successors or permitted assignees. You agree that we may assign or novate our rights and obligations under these Terms of Business to a purchaser of all or substantially all our assets or business involved in the performance of these Terms of Business, or another appropriately authorised member of our corporate group from time to time, by giving you notice. You shall not assign or otherwise transfer any of your rights or obligations under these Terms of Business without our prior written consent (not to be unreasonably withheld or delayed).

- 12.5. No delay or failure to exercise or enforce any rights under these Terms of Business will operate as a waiver of such rights. No waiver of any rights under, or breach of any provision of, these Terms of Business will be deemed to be a waiver of any other right or of any later breach.
- 12.6. An obligation on a party to do, or to refrain from doing, any act or thing shall include an obligation on the party to procure that its relevant employees, agents and sub-contractors also do, or refrain from doing, such act or thing.
- 12.7. The rights and remedies provided by these Terms of Business are cumulative and are not exclusive of any rights or remedies provided at law or in equity.
- 12.8. If any provision of these Terms of Business is held or made invalid, unenforceable or illegal by a court or other authority of competent jurisdiction or legislative instrument, the remainder of these Terms of Business shall remain unaffected and in force.
- 12.9. These Terms of Business shall be governed by and interpreted in accordance with English law, and the parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction in relation to any disputes which may arise out of or in connection with these Terms of Business.



# APPENDIX 1:

## Model / Managed portfolios on the 7IM Platform

### 1. Application

- 1.1. This Appendix 1 to these Terms of Business sets out additional terms and conditions applicable to access to and use of model portfolios available on the 7IM Platform from time to time or the appointment of a third party discretionary manager. This Appendix 1 is supplemental to and forms part of these Terms of Business.

### 2. Access

- 2.1. Once we accept your application to use any model portfolios available on the 7IM Platform, we will provide your relevant Advisers and Authorised Users with access to the relevant model portfolios in accordance with our access procedures. We reserve the right to decline any application at our discretion.
- 2.2. You acknowledge and agree that:
- 2.2.1. you are responsible for ensuring that each Client's authority in respect of any investment within a portfolio linked to a model portfolio has been validly obtained, and that you and your Advisers are acting in accordance with your or their agreement with the Client (as the case may be) and, in respect of any model portfolio provided by a third party, your or their agreement with the third party provider (as the case may be);
  - 2.2.2. before you will be permitted access to any model portfolio provided by a third party, you and/or your relevant Advisers and/or your relevant Clients (as applicable depending on the requirements of the third party provider) will need to have entered into an agreement with the third party manager in relation to the terms and conditions applicable to access and use of their services and each party's responsibilities, and we may require confirmation of this from the third party provider; and
  - 2.2.3. you shall procure that any form of instruction, Client authority or other documentation which we require in connection with model portfolios or the appointment of a third party discretionary manager is submitted to us in accordance with our relevant procedures as notified to you from time to time.

### 3. Model portfolios

- 3.1. A Client's portfolio may only be invested into a model portfolio available on the 7IM Platform upon an instruction submitted on behalf of you or any of your Advisers to link your Client's portfolio to the model portfolio. We will not provide advice to you or your Clients in relation to any model portfolio. We will not therefore consider the suitability

or appropriateness of any transactions entered into. You acknowledge and agree that you are responsible for:

- 3.1.1. advising Clients in relation to the suitability and appropriateness of any model portfolio in compliance with Applicable Law and Regulation, and monitoring portfolios linked to a model portfolio and continuing to assess the suitability and appropriateness of all transactions entered into, including those resulting from changes to the model portfolio and rebalancing of portfolios linked to the model portfolio, on an ongoing basis; and
- 3.1.2. compliance with Applicable Law and Regulation in respect of business conducted by you or your Advisers in relation to model portfolios.
- 3.2. The dealing terms, fees and charges which may apply to investments included within a model portfolio, will be those applicable to dealing in those investments via the 7IM Platform from time to time.
- 3.3. Any portfolio linked to a model portfolio and its performance may vary from that of the model portfolio due to a number of factors, including differences resulting from the timing of investment or rebalancing, limited liquidity of investments, failed trades (for example, due to minimum transaction size limits or insufficient cash to pay for purchases) or the realisation of assets and/or withdrawals. We do not accept liability for any such discrepancies in performance.
- 3.4. You undertake to procure that you and your Advisers, whether through placing any dealing instruction or otherwise, shall not do anything to interfere with or prejudice the application of the model portfolios or any rebalancing to your Clients' linked portfolios, and shall take all steps necessary to ensure that at all times the model portfolios and rebalancing are correctly applied to your Clients' relevant portfolios in order to maintain their investment objectives and risk profile. This will include, in the event of any failed trades, taking corrective action as soon as possible in accordance with the trading procedures available via the 7IM Platform from time to time.
- 3.5. You are responsible for ensuring your Advisers disclose all fees and charges to Clients in respect of portfolios linked to model portfolios or a third party manager, including the manager's fees as well as any Adviser payments agreed with Clients, and ensuring that the authority of Clients for these amounts to be deducted and paid from their relevant portfolio(s) on the 7IM Platform has been validly obtained and submitted to us in accordance with our relevant procedures. For further details in relation to Adviser payments, please refer to clause 7 (Payment of Adviser charges) of these Terms of Business.

#### **4. Responsibilities of the portfolio manager**

- 4.1. Where 7IM decides both the asset allocation and the investments held within a model portfolio, then our role is to construct the model portfolio with asset allocations designed to represent certain investment objectives and risk profiles, and select the investments to populate each model portfolio, at our discretion and in line with the principle of prudent diversification. We will review the model portfolio periodically and

may instruct changes or a rebalancing with the aim of continued alignment of the model portfolio to the particular investment objectives and risk profile underlying its composition but there is no guarantee that the objective will be achieved. Where we instruct changes to or a rebalancing of portfolios linked to the model portfolio, this will result in transactions being applied to linked portfolios to reflect the model portfolio.

- 4.2. Where a third party manager or you or any of your Advisers decides the asset allocation and/or the investments held within the model portfolio, then we will take instructions from the third party or you and your Advisers (as the case may be) as to the creation of these model portfolios and changes to them, and rebalancing of portfolios linked to these model portfolios. Where the third party manager or you or your Adviser instructs a rebalance of portfolios linked to these model portfolios, this will result in transactions being applied to linked portfolios to reflect the relevant model portfolio. Where a third party discretionary manager has been appointed, then we will act on their instructions. For details of a third party manager's responsibilities, please refer to their agreement with you and/or your Adviser and/or Client, as the case may be. Where you or your Adviser has entered into an agreement with a third party manager on your Client's behalf as their agent, you are responsible for ensuring that this arrangement and each party's respective responsibilities are explained to your Client.
- 4.3. You acknowledge and agree that:
  - 4.3.1. our role does not extend to providing investment advice or personal recommendations in relation to the model portfolios, or compliance with Applicable Law and Regulation in relation to such activities, which are your responsibilities;
  - 4.3.2. we shall not be responsible for any loss arising from the choice of any model portfolio, or any reliance placed upon any third party's services. We do not accept liability for any action or failure to take action on the part of a third party provider, their contractors or agents; and
  - 4.3.3. we do not provide any express or implied warranty as to the performance or profitability of any model portfolio.

## **5. Fees**

- 5.1. Our fee in respect of model portfolios provided by 7IM shall be calculated at the rate per annum specified in our applicable 7IM schedule of fees and charges, which you should disclose to your Clients.
- 5.2. Fees payable to a third party manager shall be set by the third party from time to time, and you and your Advisers shall be responsible for disclosing these fees to your Clients.
- 5.3. We shall calculate these fees based upon the average daily value of assets in Client portfolios linked to model portfolios or the third party manager. Fees shall be deducted from relevant Client portfolios, and in the case of portfolios managed by a third party, paid to the third party provider as provided for in our Client Terms.

- 5.4. Model portfolio fees apply to all portfolios on the 7IM Platform which are linked to a model portfolio, and irrespective of whether such portfolio varies from the model portfolio due to, for example, differences resulting from the timing of investment or rebalancing, minimum transaction size limits, insufficient cash to pay for purchases, or the realisation of assets and/or withdrawals.
- 5.5. You and your Advisers shall be responsible for ensuring that a sufficient cash balance is maintained in relevant Client portfolios in order for all fees to be paid when due, and acknowledge and agree that we may realise any assets held to discharge amounts due in accordance with our Client Terms.

## **6. Ending access to model / managed portfolios**

- 6.1. If any Client no longer wishes to use a model portfolio or a third party manager, the relevant Adviser is responsible for instructing us to delink their portfolio from the model portfolio or manager (as applicable) via the 7IM Platform.
- 6.2. You must ensure that you or your relevant Adviser promptly notifies us if:
  - 6.2.1. you or an Adviser to whom we have granted access to model portfolios ceases to have authority to act as agent in respect of any Client;
  - 6.2.2. you or an Adviser to whom we have granted access to model portfolios ceases to hold any authorisation, permission or approval required to conduct investment business relevant to model portfolios; or
  - 6.2.3. your or an Adviser's and/or Client's relationship under their agreement with a third party manager (as the case may be) ends.
- 6.3. We reserve the right to withdraw the availability of any model portfolios or third party services from the 7IM Platform at our discretion if their continued availability becomes impossible or impractical in our opinion, including as a result of our relationship with the third party manager ending, a change in legal or regulatory requirements, or any circumstance beyond our reasonable control. If this happens, we will notify you of when this will occur.
- 6.4. In the circumstances described in paragraphs 6.2 and 6.3 of this Appendix above, we may delink the relevant portfolios from the model portfolios and withdraw the relevant Adviser permissions to access the relevant model portfolios and/or portfolios. We shall not be liable for any loss that results. Where a portfolio is delinked from a model portfolio or a third party manager and you or your Adviser continues to have authority to act for the relevant Client, you shall be responsible for continuing to provide advice in relation to the portfolio.
- 6.5. If you are in breach of your obligations in relation to model/managed portfolios under these Terms of Business or Applicable Law and Regulation, and we suffer loss or are required to make a payment to a Client or other third party (including a regulatory fine) as a result, you shall make good such loss or payment if we ask you to do so.

## **7. Licence to use model portfolios**

- 7.1. The Intellectual Property Rights in model portfolios available on the 7IM Platform are owned by 7IM, the relevant provider, or our or their licensors. Once we accept any application to access model portfolios and for the duration of such access, you and your Advisers shall be permitted to access and use the model portfolios via the 7IM Platform solely for the purpose of investing (on behalf of Clients) in products or services on the 7IM Platform which are linked to the model portfolios in accordance with these Terms of Business. You shall not, and must procure that your Advisers and Authorised Users do not, use or replicate all or a significant portion of any model portfolio for any other purpose.

# APPENDIX 2:

## The Retirement Income Solution

### 1. Application

- 1.1 This Appendix 2 to these Terms of Business sets out additional terms and conditions applicable to access to and use by you of 7IM's income modelling tool to provide an investment strategy to meet the income needs of your clients known as the "Retirement Income Solution". This Appendix 2 is supplemental to and forms part of these Terms of Business.

### 2. Definitions and interpretation

- 2.1 The following definitions apply in this Appendix 2:

**'Loss'** means any loss, damage, payment, cost, expense (including reasonable legal costs and expenses), liability, award, claim, fine, penalty, action or judgement;

**'Permitted Purpose'** means you may access and use the Retirement Income Solution solely to:

- (a) calculate the level of probability regarding the likelihood of a Client's Retirement Income Solution plan being able to meet the Client's income needs as well as a projection of how much money the Client is likely to have at the end of the term (a "probability score");
- (b) allocate the Client's total investment capital to various risk profiled investment buckets across the Client's nominated portfolio(s) and/or account(s), including across long term, medium term and short term investment buckets as well as a cash bucket, in such a way that the allocations combine to form a single investment strategy portfolio that matches the client's overall risk profile and income requirements (the "risk profiled bucket allocations");
- (c) review the risk profiled bucket allocations for a Client on an ongoing basis as frequently as required, and in any event at least annually, and regenerate probability scores and risk profiled bucket allocations to ensure that investment allocation remains aligned with a Client's overall risk profile and income requirements;

**'Retirement Income Solution'** means 7IM's proprietary income modelling tool made available for access by you through the 7IM Platform in accordance with these Terms of Business including this Appendix 2.

- 2.2 Terms defined in the front end of the Terms of Business shall (unless context otherwise requires) have those meanings when used in this Appendix 2.
- 2.3 In the event of any conflict or inconsistency between the terms of this Appendix 2 and the remainder of these Terms of Business, then the terms of this Appendix 2 shall prevail.

- 2.4 References to '**you**' or '**your**' in this Appendix 2 includes your Advisers and/or Authorised Users as the context requires. For the avoidance of doubt, you shall be responsible for procuring that your Advisers and Authorised Users comply with all relevant provisions of this Appendix 2.

### **3. Access**

- 3.1 The Retirement Income Solution may be accessed by your relevant Authorised Users strictly for the Permitted Purpose and in accordance with any relevant procedures that we advise from time to time. We reserve the right to limit or restrict access to the Retirement Income Solution at our discretion.
- 3.2 You acknowledge and agree that:
- 3.2.1 you are responsible for ensuring that each Client's authority in respect of any investment strategy that uses the Retirement Income Solution has been validly obtained, and that you and your Advisers are acting in accordance with your or their agreement with the Client (as the case may be) and, in respect of any model portfolio service provided by 7IM or a third party and distributed through a Retirement Income Solution plan, these Terms of Business or your or their agreement with the third party provider (as the case may be);
  - 3.2.2 you shall procure that any form of instruction, Client authority or other documentation which we require in connection with the Retirement Income Solution is submitted to us in accordance with any relevant procedures that we advise from time to time.
- 3.3 We reserve the right at any time to make any change, improvement, substitution or modification in the format, operation, specification, design or configuration of, or means of access to, the Retirement Income Solution for any reason. We shall endeavour to give reasonable notification if practicable in the circumstances of any material changes (which may, for example, be by way of functionality updates notified online on the 7IM Platform).
- 3.4 For the avoidance of doubt, our provision of the Retirement Income Solution does not involve any regulated activities as specified in FSMA and the FCA Rules.
- 3.5 Nothing in this Appendix 2 shall create an exclusive supply arrangement between us and you or prevent us from entering into similar agreements with third parties, or from using, selling or licensing materials, products or services which are the same or similar to those provided to you under this Appendix 2.

### **4. Your obligations**

- 4.1 We will not provide advice to you or your Clients in relation to any outputs generated by the Retirement Income Solution. We will therefore not consider the suitability or appropriateness of any transactions entered into. You agree that you and your Advisers are responsible for:



- 4.1.1 advising a Client in relation to the suitability and appropriateness of all transactions entered into as a result of the outputs generated by the Retirement Income Solution, and whether the risk profiled bucket allocations meet the Client's income needs, and continuing to assess the suitability and appropriateness of the foregoing on an ongoing basis, in accordance with and to the extent required by Applicable Law and Regulation;
  - 4.1.2 reviewing the income requirements and risk profiled bucket allocations for each Client on an ongoing basis (having regard to all relevant circumstances including market movements and in any event at least annually), and regenerating probability scores and risk profiled bucket allocations as may be necessary to ensure investment allocation remains aligned with a Client's overall risk profile and income requirements;
  - 4.1.3 compliance with Applicable Law and Regulation in respect of the business conducted by you or your Advisers in relation to use of the Retirement Income Solution.
- 4.2 You shall:
- 4.2.1 co-operate with us in all matters relating to the Retirement Income Solution, including by providing such information and assistance as is reasonably required by us;
  - 4.2.2 use the Retirement Income Solution strictly only for the Permitted Purpose and on and subject to the terms and conditions of these Terms of Business;
  - 4.2.3 comply with any reasonable security procedures or technical requirements in relation to the Retirement Income Solution that are notified by us; and
  - 4.2.4 perform your obligations as specified in this Appendix 2 in a timely and efficient manner.
- 4.3 You undertake that you shall not (and shall procure that relevant Advisers and Authorised Users do not):
- 4.3.1 except as may be permitted by any Applicable Law and Regulation which is incapable of exclusion by agreement between the parties or as may be expressly permitted by us or otherwise provided in this Appendix 2:
    - (a) attempt to copy, modify, alter, adapt, create derivatives, extract, mirror, republish, reproduce, download, display, transmit, or distribute the Retirement Income Solution (or any part thereof) or other systems used to deliver the Retirement Income Solution in any form or media or by any means;
    - (b) in any way interfere with the Retirement Income Solution (or any part thereof) or merge it with or incorporate it into other products, services, data, programs or systems or attempt to do any of these things, provided that, for the avoidance of doubt, you shall be entitled

- to use the Retirement Income Solution for the Permitted Purpose and in the course thereof to incorporate into your own products, services and materials any materials made available by us for distribution to Clients and prospective Clients;
  - (c) attempt to de-compile, reverse compile, disassemble, or reverse engineer the Retirement Income Solution (or any part thereof);
- 4.3.2 access or use all or any part of the Retirement Income Solution in order to build a product or service which competes with the Retirement Income Solution;
- 4.3.3 save to the extent expressly permitted by us or otherwise provided in this Appendix 2, sub-license, sell, rent, lease, assign, novate, pledge, charge, distribute, transfer or otherwise dispose of or grant rights over or out of the Retirement Income Solution, or display, disclose, operate, market, and/or promote or otherwise commercially exploit, or otherwise make the Retirement Income Solution (or any part thereof) available to any third party and shall not attempt to do any of the foregoing;
- 4.3.4 attempt to obtain or assist third parties in obtaining access to the Retirement Income Solution (or any part thereof) unlawfully or in breach of this Appendix 2;
- 4.3.5 use the Retirement Income Solution (or any part thereof) in any way which may impair the functionality or undermine the security or integrity of the Retirement Income Solution or any networks and computing systems used by us to host and deliver the Retirement Income Solution;
- 4.3.6 use the Retirement Income Solution (or any part thereof) for any fraudulent, illegal or unauthorised use; or
- 4.3.7 attempt to gain unauthorised access to any materials or to any part of our network or computing systems or to the computer system on which the Retirement Income Solution (or any part thereof) is hosted other than those to which you have been given lawful and express permission to access by us.
- 4.4 You shall use all reasonable endeavours to prevent any unauthorised access to, or use of, the Retirement Income Solution or our computing network.
- 4.5 You shall implement adequate information technology controls and security in accordance with good industry practice over the use of the Retirement Income Solution.
- 4.6 You shall notify us as soon as possible if you become aware of any unauthorised access or use of the Retirement Income Solution, or have reason to believe that the security, confidentiality or safety of the Retirement Income Solution (or any part thereof) has been or may be compromised, including any security breaches within your network or computing systems.

- 4.7 You acknowledge and agree that the use of:
- 4.7.1 the Retirement Income Solution;
  - 4.7.2 the content made available through the Retirement Income Solution; or
  - 4.7.3 any information, results or reports obtained or any conclusions drawn from the use of the Retirement Income Solution,

does not amount to any investment, financial, legal, tax or accounting advice or recommendations whatsoever including to buy or sell any financial products, or any assessment of the risk, suitability or appropriateness for a Client of the Retirement Income Solution and its outputs including probability scores and risk profiled bucket allocations, nor do any of them suggest or imply an opinion by us as to the attractiveness of investment in any financial products.

- 4.8 As between the parties to these Terms of Business, you shall have sole responsibility for the legality, reliability, integrity, accuracy and quality of any Client data provided to us in using the Retirement Income Solution.
- 4.9 You are responsible for ensuring your Advisers disclose all fees and charges to Clients in respect of portfolios linked to the Retirement Income Solution, including 7IM's fees for Clients using the Retirement Income Solution, any third party manager's fees as well as any Adviser payments agreed with Clients, and ensuring that the authority of Clients for these amounts to be deducted and paid from their relevant portfolio(s) on the 7IM Platform has been validly obtained and submitted to us in accordance with our relevant procedures.

## **5. Intellectual Property Rights**

- 5.1 The Intellectual Property Rights in the Retirement Income Solution are owned by 7IM, the relevant provider, or our or their licensors. For the avoidance of doubt, you shall not acquire any Intellectual Property Rights in the Retirement Income Solution. This paragraph 5.1 survives and continues to apply following termination of our relationship under these Terms of Business.
- 5.2 Where you access the Retirement Income Solution and for the duration of such access, you shall be permitted to access and use the Retirement Income Solution via the 7IM Platform solely for the Permitted Purpose in accordance with these Terms of Business.
- 5.3 You shall notify us as soon as possible if you become aware of any actual, threatened or suspected infringement of any of 7IM's Intellectual Property Rights in connection with the Retirement Income Solution.

## **6. Ending access to the Retirement Income Solution**

- 6.1 If you no longer wish to have access to and use the Retirement Income Solution in respect of a Client, you are responsible for instructing us to delink the Client's portfolio(s) linked to the Retirement Income Solution via the 7IM Platform.

- 6.2 You must ensure that we are notified as soon as possible if:
- 6.2.1 you or an Adviser to whom we have granted access to the Retirement Income Solution ceases to have authority to act as agent in respect of any Client;
  - 6.2.2 you or an Adviser to whom we have granted access to the Retirement Income Solution ceases to hold any authorisation, permission or approval required to conduct investment business; or
  - 6.2.3 your or an Adviser's and/or Client's relationship under their agreement with a third party manager whose model portfolios are distributed through the Retirement Income Solution (as the case may be) ends.
- 6.3 We reserve the right, at any time, to suspend or withdraw (temporarily or permanently) the availability of the Retirement Income Solution in respect of any and all Clients at our discretion if:
- 6.3.1 a change arises in respect of any of our licensors or a third party involved in providing the Retirement Income Solution which materially impairs our ability to provide the Retirement Income Solution as contemplated by this Appendix 2;
  - 6.3.2 we reasonably believe that the Retirement Income Solution is being used in an unauthorised or improper manner;
  - 6.3.3 we are subject to a claim or allegation that the provision or use of the Retirement Income Solution infringes the Intellectual Property Rights of a third party;
  - 6.3.4 its continued availability is generally suspended or terminated by 7IM across its business (including as a result of a change in legal or regulatory requirements or any circumstance beyond our reasonable control);
  - 6.3.5 7IM or any third party provider withdraws the availability of their investment solutions (model portfolios and/or funds) distributed through the Retirement Income Solution;
  - 6.3.6 a Client's cash bucket has fully depleted;
  - 6.3.7 you or the relevant Adviser have breached any obligations under these Terms of Business.
- 6.4 In the event that we suspend or withdraw the provision of the Retirement Income Solution under paragraph 6.3, we will use our reasonable endeavours to:
- 6.4.1 if you or any of your Advisers have Clients with an active Retirement Income Solution plan, notify you or the relevant Adviser(s) as soon as reasonably practicable of the suspension or withdrawal and (to the extent we are not prevented from doing so in the circumstances) of the reason for the suspension or withdrawal and its expected duration;

- 6.4.2 if temporary, reinstate access or operation as soon as reasonably practicable.
- 6.5 In the event that we terminate the provision of the Retirement Income Solution under paragraph 6.3 and you or any of your Advisers have Clients with an active Retirement Income Solution plan, we will notify you or the relevant Adviser(s) of when this will occur.
- 6.6 In the circumstances described in paragraphs 6.2 to 6.5 above, we may remove the Client's portfolio(s) from the Retirement Income Solution and/or withdraw access to the Retirement Income Solution or (in the circumstances described in paragraph 6.2.3 or 6.3.5) delink Client portfolios from the relevant model portfolio(s) and withdraw your and/or the relevant Adviser's permissions to access the model portfolio(s). We shall not be liable for any Loss that results. Where a Client portfolio is removed from the Retirement Income Solution and you or your Adviser continues to have authority to act for the relevant Client, you shall be responsible for continuing to provide advice in relation to the Client portfolio and for notifying the Client of any change to the fees and charges that will apply to them in respect of their portfolios (including the 7IM Platform Service fees).

## **7. Liability and indemnity**

- 7.1 This paragraph 7 sets out the entire liability of 7IM arising under or in connection with this Appendix 2 or in relation to the Retirement Income Solution.
- 7.2 Without prejudice to any duties or liabilities of 7IM arising under any applicable law, 7IM has no obligations or duties in relation to your, your Advisers or Authorised Users' access to and use of the Retirement Income Solution except as expressly set out in this Appendix 2.
- 7.3 To the fullest extent permitted by applicable law, 7IM disclaims all representations, warranties, conditions and all other terms of any kind whatsoever express or implied by statute or common law, and any implied terms relating to quality, fitness for any particular purpose, reasonable skill and care or ability to achieve a particular result are excluded from this Appendix 2.
- 7.4 We shall not be responsible for any Loss suffered or incurred by any person as a result of or in connection with the use of the Retirement Income Solution (or any part thereof) and for any conclusions drawn from such use, except if such Loss directly and solely results from our own gross negligence, wilful misconduct or fraud in the manner in which we provide the Retirement Income Solution.
- 7.5 Under no circumstances shall we be liable for:
  - 7.5.1 any loss of profits (whether direct or indirect), loss of revenue (whether direct or indirect), loss of savings (actual or anticipated) or loss of goodwill;
  - 7.5.2 any indirect, incidental, consequential or special damages of any form, incurred by any person or entity, whether or not foreseeable and regardless of the type of action in which such a claim may be brought, with

- respect to our performance or non-performance under this Appendix 2 or our role as provider of the Retirement Income Solution;
- 7.5.3 the Client data provided to us in connection with use of the Retirement Income Solution proving to be incomplete, inaccurate or inapplicable or any assumption which could or should have been made not being made; or
  - 7.5.4 any Loss arising as a consequence of you, your Advisers or Authorised Users using, or providing to any other person to use, any report or information in or derived from or based on outputs generated by the Retirement Income Solution (including probability scores and risk profiled bucket allocations) to provide financial or investment advice or any personal recommendations to a Client.
- 7.6 You acknowledge and agree that:
- 7.6.1 the Retirement Income Solution does not represent a validation nor an endorsement of any underlying investments, methods or structures recommended by you or your Advisers in response to or otherwise in connection with use of the Retirement Income Solution;
  - 7.6.2 the Retirement Income Solution is provided by us on an “as is” basis;
  - 7.6.3 we do not give any guarantee that the Retirement Income Solution can be accessed at all times, and that we shall not be responsible nor have any liability for any failure to provide, or delay in providing, the Retirement Income Solution;
  - 7.6.4 we do not guarantee that use of the Retirement Income Solution will be uninterrupted or entirely error-free. We shall notify you as soon as reasonably practicable (which may, for example, be online on the 7IM Platform) if we become aware of any material interruptions or errors;
  - 7.6.5 you are solely responsible for any results obtained from the use of the Retirement Income Solution (or any part thereof) and for any conclusions drawn from such use.
- 7.7 You will indemnify us against, and hold us harmless from, any Loss that may be imposed on, incurred by, or asserted against us in connection with or arising out of your, your Advisers or Authorised Users’ use of the Retirement Income Solution, except to the extent that such Loss is caused by our fraud, gross negligence or wilful misconduct in the manner in which we provide the Retirement Income Solution. The obligation of indemnification under this paragraph 7.7 shall survive the termination of the Terms of Business.
- 7.8 Nothing in this Appendix 2 excludes the liability of any party for death or personal injury caused by its negligence, for fraud or fraudulent misrepresentation or any other losses that cannot be excluded or limited by applicable law.



# Application form

## 7IM Platform Service

Please complete all sections below. You must inform us if any details below change.

### Your details

Firm name:

-----  
PRINT full name of legal entity

Firm reference no.:

-----  
Regulatory registration number(s)  
of the above named entity

-----  
Relevant regulatory authority(ies),  
e.g. FCA

### Facilitated payments

Please provide bank account details for receipt of payments:

Bank name:

-----

Account name:

-----

Sort code:

-----

Account number:

-----

Please confirm the following in relation to UK VAT on ongoing service payments  
by ticking one box below:

*(if we receive no instruction from you, we will not apply UK VAT to your fees)*

You confirm that ongoing service fees are subject to UK VAT

☐

You confirm that ongoing service fees are exempt from UK VAT

☐

### Contact details:

Please provide contact details for queries in relation to statements of Adviser payments.

Name:

-----

Email:

-----

### ACCEPTANCE AND AGREEMENT:

The firm named above confirms agreement to these Terms of Business.

-----  
Signature of authorised signatory

-----  
PRINT name of authorised signatory

-----  
Date signed

[www.7im.co.uk](http://www.7im.co.uk)

Seven Investment Management LLP is authorised and regulated by the Financial Conduct Authority.  
Member of the London Stock Exchange. Registered office: 1 Angel Court, London EC2R 7HJ.  
Registered in England and Wales number OC378740.

09/2023