

# Terms of business for Adam and company

## Summary of recent changes

We have made some changes to our Terms of business (and associated service agreements). We believe these changes have made the terms easier to understand, removed areas that are no longer appropriate, and added clarification in areas designed to protect you.

Summarised below, these changes were made in April 2025 and will be effective from 01 June 2025. Please read them carefully.

You can also find a full set of our latest terms on our website at:

<https://www.adamandcompany.co.uk/49efdb/globalassets/adamco/legal--regs/terms-of-business-and-service-agreements.pdf>

Clause	Changes to the wording confirm...
<b>Terms of business</b>	
Risk warning notice	Borrowing against assets We will not, without your prior written agreement, borrow on your behalf against the security of your portfolio.
11.2	Account opening, reactivation & termination There may be circumstances where we, in our absolute discretion, deem it necessary to refuse to open or terminate your account (in accordance with clause 48) or where we may block some or all transactions.
12.4	Suitability & appropriateness You can ask us to delay a transaction so that you can receive the suitability report in advance.
14.1	Instructions We do not accept dealing and payment instructions by fax, text or instant messages.
15	Payments In clause 15.1, all payments in your favour, as well as payments made by you, must be made in favour of, or come from, your Nominated Bank Account. In a new clause 15.2, if you ask us to make a payment in favour of a Non-Nominated Bank Account, we may charge you an extra fee and ask you for additional information.
18	Restrictions on promotion <ul style="list-style-type: none"><li>• In clause 18.1, securities classified as: Non-Mass Market Investments (including Non-Mainstream Pooled Investments and Speculative Illiquid Security)</li><li>• Or Restricted Mass Market Investments (including a non-readily realisable security)</li><li>• Or Contingent Convertible Securities</li></ul> are subject to restrictions on their promotion to Retail Clients. If you ask us for information about these options, we may require additional information and/or declarations from you before we can provide any information or promotion about them. There may also be instances when we are not permitted to give you the information you want. In clause 18.2, where the bodies that regulate our activities place restrictions on the products or services referred to in clause 18.1, we may not be able to offer you those services.

Clause		Changes to the wording confirm...
<b>Terms of business</b>		
25.2	Segregated accounts and central securities	Any reference to Clearstream relating to the custody of funds has been removed and replaced by Allfunds.
33.1	Telephone calls and electronic communication	We will record telephone conversations and other forms of electronic communications and retain them for a period of seven years from the date of recording.
34	US withholding tax regulations, QI and Foreign Account Tax Compliance Act (FATCA)	In a new clause 34.4, if your circumstances change, you may need to provide us with updated documentation. Income derived from any US assets may be subject to a change in treaty benefit claim (up to 30% withholding tax) until we receive the updated documentation.
42.1	Deceased accounts	This change clarifies the roles and responsibilities of the parties involved on/after your death and explains what fees will be payable on your account, depending on which of our services you've used.
47	Remedies	In clause 47(1)(c), regarding the interest that will be charged on payments that are due to us, the new clause states that we can charge interest on the overdue amount at the rate of 4% above HSBC Bank plc base rate and at 4% over the cost of funds for the applicable base rate in foreign currencies. However, should the relevant base rate be negative, it will be set at 0% when charging interest on the overdue amount.
56.3	Miscellaneous	In new clause 56.3, we will retain copies of portfolio reports on our online client portal for three years. After three years, those reports will be stored in our archiving system.

We have also made the following updates to the respective service agreements that form part of our Terms:

Clause		Changes to the wording confirm...
<b>Custody agreement</b>		
10	Income receipts and payments	For monthly standing order payments, our practice is to make bi-monthly payments to you in the middle and at the end of the month.
<b>Discretionary portfolio management agreement</b>		
2.3	Suitability	We will review your attitude to risk, financial circumstances (including your ability to bear any losses), investment objectives, time horizon and liquidity needs during a suitability review.
9	Dormant accounts	The circumstances when your account will be considered dormant, the role that we will play while your account is considered dormant, and what will happen if you decide to re-activate your account.
10	Deceased accounts	On your death, and where your account was managed on a discretionary basis, your account will continue to be managed on an active basis and will follow the risk profile and investment objectives at the date of death. The fee schedule in place at that date will continue until we receive valid instructions from the executors of your estate.

Clause		Changes to the wording confirm...
<b>Advisory stockbroking agreement</b>		
4	Investment restrictions	Where the nature of the account you hold with us, e.g. an ISA or SIPP, means that there are restrictions on the types of securities we can buy for you, our advice will take account of those restrictions on a 'best endeavours' basis.
10	Deceased accounts	On your death, and where the account was managed on an advisory basis, we will freeze the account, and our standard execution-only fee schedule will apply.
<b>Individual Savings Account (ISA) including Junior ISA (JISA) agreement ISA agreement</b>		
1	The scope of the service we provide	New clause 1.4 accommodates ISA Regulation 4(6).
7.3	Transferring other ISAs to us	The process we will follow when we receive a transfer instruction, but we establish that your ISA includes investments that are not permitted in our ISA.
8	Transferring your ISA to another ISA manager	Clause 8.1 accommodates ISA Regulation 4(6)(f) and (7).
9	Withdrawals from your ISA	A second paragraph accommodates ISA Regulation 4(6)(fa) and (7).
<b>JISA agreement</b>		
2	The account holder	Clause 2.2 accommodates ISA Regulation 4(6).
9.3	Transferring other ISAs to us	The process we will follow when we receive a transfer instruction, but we establish that your JISA includes investments that are not permitted in our JISA.
10	Transferring your JISA to another JISA manager	Clause 10.1 accommodates ISA Regulation 4(6)(f) and (7).