



Terms of Business Discretionary Investment Management

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Introduction

These terms and conditions form the legal agreement between you and Fundment Limited.

This section contains additional terms and conditions that will apply if you wish to use our Discretionary Investment Management Services. It should be read in conjunction with the Fundment Platform Terms and Conditions.

These Terms and Conditions, together with information provided by you in your profile and through your account on the Website (your “**Account**”) constitute the Investment Management Agreement (“**Agreement**”) between you and us for the provision of the services set out in these Terms and Conditions.

Additional terms and conditions apply where you are also a client of Fundment for platform and investment administration services.

Fundment does not provide financial planning or investment advice and you acknowledge that you will not receive advice from us relating to whether our services are suitable for you.

1.0 Commencement

- 1.1 These Terms and Conditions will commence, and therefore become legally binding, from the moment you apply to open an Account with us. We will then update you once we have processed your application to open an Account (subject to satisfactory completion of money laundering verification information).
- 1.2 These Terms and Conditions shall continue indefinitely until terminated in accordance with **clause 11** below.

2.0 Client categorisation

- 2.1 You have been classified as a Retail Client for the purposes of the FCA Rules in relation to the services which we will provide to you under this Agreement. You may request to be re-classified as a Professional Client, but any such re-classification will be subject to you satisfying certain requirements set out in the FCA Rules.
- 2.2 As a Retail Client, you are entitled to certain protections afforded to Retail Clients under the FCA Rules. If you are re-classified as a Professional Client, there would be limitation on the level of some of these protections that you would receive. If you would like further information in relation to these protections, please email our Compliance Officer at support@fundment.com.

3.0 Eligibility

- 3.1 You must be at least 18 years of age to use Fundment’s services.
- 3.2 You must have a UK National Insurance Number.

- 3.3 To open an Account with Fundment, you must be the sole or joint holder of a
 - 3.3.1 UK bank account; or
 - 3.3.2 existing UK investment account(s) which is to be transferred to Fundment

4.0 Your financial adviser

- 4.1 If you have appointed a financial adviser, notwithstanding our obligations set out in this Agreement, they will be responsible for any financial planning services and assessing the suitability of any investment platform and model portfolio that they recommend to you. The Financial Adviser must be registered with Fundment and have entered into an agreement with Fundment before we can open an Account for you.
- 4.2 Your financial adviser will also be responsible for advising you whether the Fundment's Discretionary Investment Management service is suitable as an investment solution for you.
- 4.3 You authorise us to accept instructions from your adviser on your behalf as if they had come directly from you. This includes, where necessary, the authority to add, amend, remove, or update your risk profile and suitable portfolio(s) in Account. You agree you will accept full responsibility for all the instructions made by your adviser on your behalf and provided to us under this clause. You agree to release Fundment from any liability for executing instructions provided by your adviser except for any loss or damage arising out of gross misconduct or negligence by Fundment.
- 4.4 When we arrange the payment of Financial Adviser charges, our payment to the adviser will meet your contractual responsibility to pay the charges that you agreed for the relevant service provided to you.
- 4.5 In the event that your adviser ceases to be authorised by the FCA, no longer exists or ceases to act as your adviser, we will mark your Account as "Unattached" and notify you of the options available to you.
- 4.6 If you would like us to stop arranging the payment of charges to your adviser, you should notify us in writing. You can do this at any time.

5.0 Investment management

- 5.1 We will manage your Account on a discretionary basis. This means that we will make decisions in relation to the investments and cash that is held within your Account. Any investment decisions will be made in accordance with your Investment Goals and any other relevant information or instructions provided by you or your IFA to us in relation to your Account.
- 5.2 We will have full authority to enter into any documentation on your behalf to give effect to any transaction that takes place through your Account.

- 5.3 Any performance benchmark or performance indicator we may use as a measure of performance in relation to any Investment Goals shall be a non-binding indication of our performance and not a representation or warranty that the performance level or benchmark indicated will be met.
- 5.4 At our sole discretion, we may enter into any arrangements or transactions on your behalf including making investments or entering into transactions relating to other assets. In particular, you confirm that:
 - 5.4.1 there is no limit on the amount of your portfolio that we may invest on your behalf into one or more investments; and
 - 5.4.2 there will be no limit or restriction on any type of investment made by us on your behalf.
- 5.5 You agree that:
 - 5.5.1 we may invest on your behalf in Unit Trusts, Exchange Traded Funds, Open Ended Investment Companies, Unit Trusts, Investment Trusts and other mutual funds to construct your Portfolio;
 - 5.5.2 we may invest on your behalf in Exchange Traded Funds, Equities, Investment trusts and other exchange traded instruments listed on the London Stock Exchange or Alternative Investment Market (AIM) or any other recognised or designated stock exchange;
 - 5.5.3 we may combine the transactions that take place through your Account with the transactions that are made by other clients. While it is not expected that such aggregation will result in any disadvantage to you or unduly favour one client over another, particular transactions may result in circumstances arising where a client is disadvantaged or is unduly favoured of another client; and
 - 5.5.4 we may enter into transactions relating to investments outside of a Regulated Market or Multilateral Trading Facility (as both terms are defined in the FCA Rules).

6.0 Operating your discretionary investment management account

- 6.1 To open Discretionary Investment Management account with us, you must provide us with the following information through our risk questionnaire which is designed to gather:
 - 6.1.1 your attitude to risk; and
 - 6.1.2 your capacity for loss; and
 - 6.1.3 your knowledge & experience, financial situation; and
 - 6.1.4 your investment objectives in relation to your Account
- 6.2 Where you have engaged an adviser, we are entitled to rely on their classification and

assessment of your risk profile. This means we will not require you to undertake the actions in **clause 6.1**. Your adviser will notify us of your risk profile and arrange for you to have a direct contractual relationship with us.

- 6.3 We will use our discretion to buy and sell investments in your account and report to you the performance of the portfolios every quarter.
- 6.4 If your circumstances change or your adviser has recommended a change, you or your adviser must notify us as quickly as you can through the website.
- 6.5 Your risk profile can be changed or updated at any time by you or your IFA accessing your Account through the Website. You agree that you will maintain your Account and keep your Investment Profile up-to-date at all times.
- 6.6 Following any change by you or your adviser to your risk profile, we reserve the right to amend and reissue this Agreement on such terms that we deem reasonable.
- 6.7 You and/or your adviser may transfer existing holdings of investments to your Investment Account with us. We will sell and then reinvest the proceeds of sale of your existing investments in line with your Fundment investment strategy.
- 6.8 The base currency of your Portfolio will be Sterling.
- 6.9 You acknowledge that a “**Model Portfolio**” approach will be used to meet your investment objectives and goals. Investments made on your behalf in relation to your account will be made in accordance with the relevant Model Portfolio.
- 6.10 Income earned on the investments within your Portfolio, which is payable to you, may be re-invested or remitted to you.

7.0 Reports and valuations

- 7.1 We are required under the FCA Rules to assess the suitability of investments that are made through your Account. This will be based on the information provided by you when opening your Account and your Investment Profile (including any update provided by you or your IFA relating to this information through your Account).
- 7.2 We will provide you with a suitability report in accordance with the FCA Rules which will form the basis of our investment management strategy for your Account.
- 7.3 You will receive valuation reports from us or our custodian every three months within 25 business days of the end of the relevant three months. These reports will contain details of all transactions during the period to which the report relates and shall contain details of your Account, the current market value, the basis of such valuation, income, any interest and fees charged. We provide no warranty, representation or assurance as to the accuracy of these reports, save as required under the FCA rules.
- 7.4 As part of our regulatory obligations, we must notify you when your managed portfolio declines by 10% and multiples of 10% thereafter (‘depreciation reporting’) relative to its

value at the beginning of each quarter year. We will notify you within one business day of such threshold being exceeded.

8.0 Fees and charges

- 8.1 Our fees and charges in relation to the services are outlined in fee schedule documentation which will be issued during your account set up.
- 8.2 Fees and charges will be deducted from your Account at the end of each month in arrears. Where your Account does not have sufficient funds to pay our fees and charges, we reserve the right to sell any investments held as part of your portfolio to cover our fees and charges.
- 8.3 Where you ask to terminate your Account under **clause 9**, you will be required to pay any fees that have accrued up to and including the date that your Account is terminated.
- 8.4 We reserve the right to change our fees and charges from time to time and we will notify you of such changes in accordance with **clause 9**.

9.0 Notifications

- 9.1 We will provide you with notices, information and any other relevant correspondence relating to your Account by email to:
 - 9.1.1 such email address provided by you when creating your Account; or
 - 9.1.2 such email address as you may notify us from time to time by updating your Account details.
- 9.2 As well as sending an email to you in accordance with **clause 9.1**, we may also communicate with you by sending you messages directly to you through your Account.
- 9.3 All communication in relation to this Agreement and any related services will be in English.
- 9.4 It is your responsibility to ensure the contact details provided by you to us in your Account are up to date at all times.
- 9.5 We offer no guarantee that any electronic communications will be successfully delivered or that they will be secure and free from viruses. In the event that a communication sent by us is not received by you for any reason beyond our reasonable control, we will not be liable for any loss, damage, expense, harm or inconvenience caused as a result of the same.
- 9.6 We may record and monitor telephone conversations we have with you and we may retain copies of any correspondence received by you whether received by email or otherwise. We will store copies of such recordings and correspondence for in accordance with our legal obligations.

10.0 Confidentiality

- 10.1 In providing its services under this Agreement, neither Fundment nor its Affiliates shall be obliged to disclose or to take into consideration (or to require any third party to disclose or take into consideration) any information:
- 10.1.1 the disclosure or use of which might breach any prohibition, duty or confidence to any other person or arising under any applicable law; or
 - 10.1.2 which comes to the notice of an employee, officer or agent of Fundment or of an Affiliate, but properly does not come to the actual notice of an individual managing the Portfolio; or
 - 10.1.3 relating to the nature or extent of any interest Fundment or any Affiliate has in any investments.
- 10.2 Each Party shall treat Confidential Information as confidential and shall not disclose such information except if:
- 10.2.1 it is required to do under any applicable law;
 - 10.2.2 it is so requested by regulatory or fiscal authorities or a court or tribunal of competent jurisdiction;
 - 10.2.3 it is disclosed in confidence to its advisers, auditors or solicitors where reasonably necessary for the performance of their professional services; or
 - 10.2.4 it is disclosed in confidence to its industry body for the purpose of compiling and publishing industry statistics or analysis.
- 10.3 Notwithstanding **clause 10.2**, Fundment may disclose in confidence any Confidential Information to any person (including, without limitation, Affiliates or any other persons) as may be reasonably required in order to perform the services and to enforce its obligations and rights under this Agreement.
- 10.4 The parties agree that damages may not be an adequate remedy for any breach of this **clause 10** and, accordingly, each party shall be entitled (but not limited) to seek injunctive or other equitable relief restraining the other from breaching this clause.

11.0 Termination

- 11.1 We may terminate this Agreement at any time by giving you [30] days' notice through your Financial Adviser by email, subject to the settlement of all outstanding transactions.
- 11.2 You may terminate this Agreement through your Financial Adviser at any time provided you give us 30 days' notice. Your Financial Adviser must be notified first before Fundment is notified.
- 11.3 In the event that this Agreement is terminated, we will execute all outstanding transactions as soon as reasonably possible. Where you terminate this Agreement under **clause 11.2**, you acknowledge that the value of the investments held in your Account at

the time the request to terminate your Account is received may not represent the final encashment value of the investments held within your Account.

- 11.4 In the event that this Agreement is terminated, we will not charge a termination fee, however you will be required to pay any outstanding fees and charges up to the date of termination [and any expenses reasonably incurred by us in giving effect to such termination and any losses incurred in settling or concluding any outstanding obligations]. Any relevant sums will be deductible by us from your Account before the money held in your Account is returned to you.
- 11.5 This Agreement will terminate immediately in the event that Fundment becomes insolvent as such term is defined in accordance with the Insolvency Act 1986.

12.0 Further regulatory requirements

- 12.1 We shall provide best execution in accordance with the FCA Rules. By entering into these terms and conditions you confirm that you have reviewed our Best Execution Policy which is available on our Website [www.fundment.com] and acknowledge that you consent to this Best Execution Policy. We may revise our Best Execution Policy from time to time and provide you with a copy of the revised policy.
- 12.2 We are required to have arrangements in place to identify and manage conflicts of interest. We have a Conflicts of Interest Policy in place which identifies those situations giving rise to actual or potential conflicts of interest and which provides details of how such conflicts are managed. If the arrangements under our Conflicts of Interest Policy are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the client will be prevented, then we will disclose sufficient details of the actual or potential conflict to any clients affected in order to enable them to take an informed decision as to whether to continue to deal with us notwithstanding the existence of such conflict. We will provide you with a summary of our Conflicts of Interest Policy upon request.

13.0 Complaints procedure and compensation

- 13.1 Our complaints procedure is available on our Website. If you are an eligible complainant, you also have the right to make a complaint to the Financial Ombudsman Service ("FOS"). Further information relating to making a complaint to the FOS is available from us on request.
- 13.2 Fundment is covered by the Financial Services Compensation Scheme (the "FSCS"). The FSCS can pay compensation if Fundment cannot meet an obligation owed to an Eligible Claimant. Each individual is entitled to 100% of the first £85,000 in respect of amounts invested. Further information about the FSCS (including the amounts covered and eligibility to claim) is available at www.fscs.org.uk or by calling 0800 678 1100.

14.0 Liability

- 14.1 Fundment shall be liable to you for any losses you incur only to the extent that such losses arise under the law of contract and are the direct result of any act or omission taken or omitted by Fundment during the term of, and under, this Agreement which constitutes negligence, wilful default or fraud. Fundment shall not otherwise be liable for any other losses suffered by you including Losses arising from:
- 14.1.1 negligence, wilful default, fraud or insolvency of any other person;
 - 14.1.2 Fundment carrying out or relying on any Instructions or on any information provided or made available to Fundment by you;
 - 14.1.3 any delays due to market conditions or changes in market conditions; or,
 - 14.1.4 any delayed receipt, non-receipt, loss or corruption of any information contained in email or for any breach of confidentiality resulting from email communication or any consequential loss arising from either of the foregoing.
- 14.2 Fundment shall not be responsible for any losses incurred after the date of termination of this Agreement unless and to the extent that the act or omission causing such losses can be evidenced to have occurred prior to the date of termination under this Agreement.
- 14.3 Nothing in this Agreement shall exclude or restrict any duty or liability which Fundment may have to the Client under FSMA or the FCA Rules or, where relevant, the Pensions Act 1995.

15.0 Your cancellation rights

- 15.1 You have the right to cancel this Agreement within 30 days from the date on which you open your Account or on the date upon which you receive a copy of these Terms and Conditions (should these Terms and Conditions be received by you after the date on which your Account was opened).
- 15.2 You must notify your Financial Adviser first through the contact details provided for your Financial Adviser via your Customer Dashboard.
- 15.3 In the event that your Account is cancelled, we will sell any investments made on your behalf through your Account, but we will not be responsible for any losses incurred by you in relation to selling these investments.

16.0 Dormant accounts

- 16.1 Where your Account has been inactive for more than one year, we will mark your Account as dormant and you will not be able to access your Account through the Website. In such an event, you can contact your Financial Adviser who will advise us to reactivate your Account for you.

16.2 Where an Account is marked as dormant, any money in the Account will remain the property of the holder of the Account and shall form part of the estate of the Account holder in the event of his or her death.

17.0 Tax

17.1 You should seek your own independent tax advice in relation to these Terms and Conditions and entering into an Account with us. We make no warranty or representation in relation to the tax position of opening an Account with us or trading through the Website.

18.0 Assignment

18.1 You may not assign or otherwise transfer your rights or obligations under this Agreement to any other party.

18.2 We reserve the right to assign our rights and obligations under this Agreement and will provide you with prior notification of any such assignment.

19.0 Third party rights

19.1 The Contracts (Rights of Third Parties) Act 1999 shall not apply to these Terms and Conditions and no person other than a party to them shall have any rights under it or to enforce any provision of it.

20.0 Governing law and jurisdiction

20.1 These terms and conditions and any dispute or claim arising out of or in connection with them or their subject matter or formation (including non-contractual disputes or claims) are governed by the law of England and Wales.

20.2 We and you agree to the exclusive jurisdiction of the English courts with respect to any dispute (including non-contractual disputes or claims) which may arise in connection with these terms and conditions or their subject matter and formation.

21.0 General

21.1 We may delegate any of our duties, authorities or functions in respect of providing the services under this Agreement to a connected entity or any entity within the same Group (as defined in the Companies Act 2006) without your prior consent. You agree that we are able to provide information about you and your Accounts to any such delegate.

21.2 No terms will be implied (whether by custom, usage, course of dealing or otherwise) into these Terms and Conditions, except as required by statute.

21.3 Each of us acknowledge that in entering into these Terms and Conditions we have

not relied on any express or implied representation (including any made negligently), assurance, undertaking, collateral agreement, warranty or covenant which is not set out in these Terms and Conditions.

- 21.4 We and you agree that neither of us shall have any remedy in respect of any statement, representation, assurance or warranty that is not set out in these Terms and Conditions. We and you agree that neither of us shall have any claim for innocent or negligent misrepresentation based on any statement in these Terms and Conditions.
- 21.5 We can only waive a right or remedy provided in these Terms and Conditions or by law by providing express written notice to you.
- 21.6 Any delay or failure to exercise any power, right or remedy by us under these Terms and Conditions this will not operate as a waiver of that power, right or remedy, nor will it impair or prejudice it.
- 21.7 Any single or partial exercise or waiver of any power, right or remedy will not preclude our further exercise or the exercise of any other power, right or remedy.
- 21.8 We may amend this Agreement by giving you [14] business days' notice by email. Alternatively, if we are required to amend this Agreement by law, regulation or in accordance with the FCA Rules, we may do so with immediate effect.
- 21.9 No clause under this Agreement will be deemed to restrict or exclude any duty owed to you by us under the Financial Services and Markets Act 2000 or the FCA Rules.
- 21.10 Should any part of this Agreement be held to be illegal or unenforceable, such provision shall, as far as it is illegal or unenforceable, be given no effect and shall be deemed to be not included in this Agreement. Any part of this Agreement deemed to be illegal or unenforceable will not invalidate any of the remaining provisions of this Agreement.
- 21.11 Nothing in these Terms and Conditions is intended to or shall be deemed to establish any partnership or joint venture between us and you. We and you agree that nothing in these Terms and Conditions shall authorise any of us to enter into any commitments for or on behalf of any other party.

22.0 Using your personal information

- 22.1 To provide services to you, we are required to collect, store and use your personal data in accordance with all applicable laws in the United Kingdom including the retained EU law version of the General Data Protection Regulation ((EU) 2016/679) (UK GDPR); the Data Protection Act 2018 (DPA 2018) (and regulations made thereunder) and the Privacy and Electronic Communications Regulations 2003 (SI 2003/2426) as amended ("**Data Protection Laws**").
- 22.2 For the purpose of providing services to you, confirming your identity in order to meet anti-money laundering requirements, we may use the services of third party providers

to carry out identity checks on you.

22.3 We will take all reasonable steps to ensure that your data is treated securely and in accordance with our [Privacy Policy](#).

These Terms and Conditions are issued by Fundment Limited which is authorised and regulated by the Financial Conduct Authority. Registered in England and Wales. January 2019.

Appendix 1 – Glossary of terms

Term	Description
Annual Management Charge (AMC)	The annual fee that is deducted from a fund to cover the costs of managing it. It is typically expressed as a percentage of the value of the fund.
Business day	Any working day for the stock market. The stock market is generally open each weekday except Bank Holidays.
Asset allocation	The act of deciding which categories of assets and in what proportions the “investment” should be allocated to, at any given time, in order to achieve the most attractive risk adjusted returns. This is one of the most important roles of the investment manager.
Asset categories	Types of assets, such as equities, gilts, corporate bonds or cash.
Bonds	An alternative name for a fixed-income investment. Bonds are a form of debt investment, where the investor lends funds to the bond issuer. In return the lender expects to receive back the principal and interest (also known as coupons). Governments, states, local authorities or companies generally issue bonds.
Capital gains tax	Payable at the rate equivalent to the taxpayer’s highest rate of income tax on gains arising from the sale of a chargeable asset. Unit trusts and investment trust companies are exempt from paying Capital Gains Tax on the disposal of shares in their underlying portfolios. Individuals may be subject to CGT when they sell assets e.g. units/shares. ISA/PEP wrapped investments are free of CGT, although they do have annual investment limits.
Capital loss	The amount by which an asset has decreased in value since it was acquired.
Contract note	A written confirmation of a trade, issued by the broker to the customer for whom the trade was executed.
Corporate action	An action taken by a company which affects the existing share structure. Such actions may benefit shareholders, such as rights issues or bonus issues. Other types of action are less easy to interpret, such as take-overs or mergers.

Term	Description
Custodian	A third-party company that is responsible for keeping clients' assets safe, settling trades, and dealing with corporate actions such as rights issues.
Customer agreement	A document that sets out the basis of the service to be provided between investment managers and their clients.
Data protection laws	All applicable data protection and privacy legislation in force from time to time in the UK including the General Data Protection Regulation ((EU) 2016/679); the Data Protection Act 2018; the Privacy and Electronic Communications Directive 2002/58/EC (as updated by Directive 2009/136/EC) and the Privacy and Electronic Communications Regulations 2003 (SI 2003/2426) as amended, together with any other European Union legislation relating to personal data and all other legislation and regulatory requirements in force from time to time which apply to a Party relating to the use of personal data (including, without limitation, the privacy of electronic communications) and the guidance and codes of practice issued by the relevant data protection or supervisory authority and applicable to a Party.
Deposit account	Offered by most banks, building societies and some insurance companies, a deposit account is a way of saving and investing. You pay money into the account. It usually pays interest net of 20% tax and often has a notice period to avoid loss of interest. There's no risk of losing the money paid in. If you're exempt from paying tax you can claim back the amount deducted. Alternatively, non-UK residents and non-tax payers can apply to have their interest paid gross.
Diversification	Lowering risk by investing in a wide spread of investments.
Gilt edged	A UK government-issued fixed-interest security.
Equities	Equities are ordinary shares which allow division of ownership according to the number of shares held. Equities may or may not be listed on a stock exchange.
Financial conduct Authority	The Financial Conduct Authority was created by the Financial Services Act (2012) and is directly accountable to HM treasury.

Term	Description
FTSE	'Financial Times Stock Exchange' (index). The "footsie" measures the performance of certain sectors of European markets, providing up-to-the minute indicators of how share prices are performing. For example, the FTSE 100 is an index containing the top 100 UK shares listed on the London Stock Exchange.
Fund	This is money invested to support or finance a particular goal e.g. a pension fund provides a lump sum to purchase a pension in retirement. This may also be a pooled investment managed by a professional fund manager.
Index Fund	A mutual fund that invests in the stocks which make up an index in the same proportions.
Investment Process	The process that decides the investment strategy and decides which stocks to choose.
Investment Risk	This is the risk that an investment or savings plan will decrease in value either in actual terms or compared to inflation.
ISA	An ISA allows you to save money on a regular basis, or invest a lump sum of money, without having to pay income or Capital Gains Tax on the proceeds.
Ongoing Charges Fee (OCF)	This reflects the overall cost involved in running an investment and shows the drag on performance caused by operational expenses associated with a fund. It is essentially the percentage of your investment holdings that will disappear in costs every year.
OEIC- Open-Ended Investment Company	An OEIC works as a collective investment vehicle, and in a similar way to unit trusts and investment trusts. It can be self-contained, but most OEICs operate as umbrella funds covering a variety of individual 'sub-funds'. Each sub-fund has different investment aims and might have different charges. An OEIC issues shares rather than units. These shares differ from investment trust shares in that the number in issue is increased or reduced by the fund managers according to changes in demand.
Portfolio Construction	Building a portfolio of securities to achieve the client's objectives.

Term	Description
Pension annuity rate	(This determines the amount of regular income at retirement annuity) bought with your pension fund. The annuity rate will depend on many factors, including your age, your health, general economic factors at that time such as interest rates, any annuity guaranteed period, any regular increase to apply each year (escalation) and how many times and when in each year the pension will be paid.
Personal Pension Plan	An approved pension plan (i.e. eligible for favourable tax concessions). If you're an employee who doesn't have opportunity to join a company pension scheme, or if you're self-employed, you can take out a personal pension. You'll need to make contributions - to be invested by your personal pension provider. These will grow over the years to retirement, and benefit from associated tax relief. When you retire, you'll receive a pension.
Plan Manager	The company managing an investment.
Qualifying Individual	An individual who is 18 years of age or more who has not subscribed to any other Stocks and Shares ISA during the Tax Year. The individual is resident in the UK, or if non-resident performs duties deemed to be performed in the UK by virtue of Section 28 of the Income Tax (Earnings & Pensions) Act 2003 (Crown employees serving overseas) or is married to, or in a civil partnership with, a person who performs such duties.
Rate of Return	The increase in value or level of income generated by an investment over a specified period of time, normally expressed as a percentage.
Reinvestment	Where the proceeds of an investment are used to fund a new investment. Also, when an income distribution due to a unit holder is used to buy optional units, rather than being paid out in a cash form.
Tax Free Cash/Tax Free Lump Sum	The lump sum benefit that can be taken tax-free from a pension arrangement at the retirement date. The amount is limited by Inland Revenue regulations.
Tax Year	HMRC tax year runs from the 6th of April one year to the 5th of April the following year.

Term	Description
Total expense ratio (TER)	Much like the OCF, it provides a more complete picture of the total annual costs involved in running an investment. Total costs may include various fees (purchase, redemption, auditing) and other expenses.
UCITS	Undertakings for Collective Investment in Transferable Securities, the EEC directive that harmonises the sale of unit trusts throughout the Community, so that all member states' funds can be sold in all other member states.
Unit trust	A trust fund operated by Unit Trust Managers which is a collective investment vehicle pooling investors' money and therefore spreading the risks involved. It is an open-ended investment and therefore units can be created and cancelled depending on demand.
Valuation point	The time at which an investment fund is valued every day. The value of the fund at the valuation point is used to calculate the price of units, which is then used to calculate the number of units bought and sold since the last valuation point. Most investment funds will have at least one valuation point daily, and some may have more than one.
Volatility (in relation to shares)	A measure of relative movement of share price during a given period.
With profits bond	This is a single-premium investment contract that offers a relatively low risk, low-volatility, long-term investment. You make a lump sum investment, the aim being to increase this sum over a period of usually 5 years or more. Your bond is invested in the with-profits fund of a life assurance provider. If you withdraw within the first few years you may not receive the full principal - there may be a penalty charge.
Weighted average charge	The average investment charge of a portfolio given the relative weighting (allocation) of the underlying investment holdings.
Yield	The dividend income last given by a share expressed as a percentage of the current share price.