

Key Features of the F&C Child Trust Fund and Terms & Conditions

The Financial Conduct Authority is the independent financial conduct regulator. It requires us, F&C Management Limited, to give you this important information to help you decide whether our **Child Trust Fund** is right for you. You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference.

Introduction

The F&C Child Trust Fund (“**F&C CTF**”) is an Investment Trust Savings Plan for children born between 1 September 2002 and 2 January 2011. The F&C CTF Shares account invests in a range of Investment Trusts which are a type of Investment Company, and the CTF Stakeholder account invests in the F&C FTSE All-Share Tracker Fund.

An F&C CTF account can play a valuable role in financial planning for your child’s future. An F&C CTF gives you the opportunity to invest in Investment Trusts listed on the stock market with the aim of increasing the value of your investment.

This document contains important information about the F&C CTF, and is the contract for, the F&C CTF. There are two sections:

- **Key Features**
- **Terms & Conditions (General and F&C Child Trust Fund)**

Along with the ‘Investing for your children’ document, these will help you decide whether investing in an F&C CTF is right for you. Read this document carefully to fully understand the investment you are about to make and the terms you are about to agree to.

If you have questions, please call our Investor Services team on 0800 136 420. Lines are open Monday to Friday from 8:30am to 5:30pm. Calls may be recorded or monitored for training and quality purposes. You can also email us at info@fandc.com or visit our website fandc.co.uk.

Our Investor Services team cannot give any advice on the suitability of investing in our plans or on how to make investment selections within these plans. We are not required to assess the suitability of our plans and the Investment Trusts for you. As we have assessed our Investment Trusts as non-complex investments, we are not required to consider whether they are appropriate for you. This means you are not protected under FCA rules on assessing suitability or appropriateness. If you are in any doubt about your investment choices, you should contact a financial adviser.

Terms that are capitalised in this document are defined terms. You can find the definitions in the Terms and Conditions.

Key Features

The aims of the CTF account and the investment options

- The F&C CTF Shares account gives an easy, flexible and tax-efficient way to invest for an eligible child. It offers the opportunity to invest in the share of the Investment Trusts F&C offers. Please read the latest Key Information Document (“**KID**”) for the Investment Trusts which can be found at fandc.com/literature.
- The F&C CTF Stakeholder account offers a tax-efficient way to invest in the F&C FTSE All-Share Tracker Fund for an eligible child. Please read the latest Key Investor Information Document (“**KIID**”) for this fund which can be found at bmogam.com/kiids. Please also read the pre-sales costs disclosures for the plan before deciding to invest; these can also be found at fandc.com/literature. Please contact us if you wish to receive the regulatory disclosures in paper form. To view daily updated share prices and performance information on our Investment Trusts, visit our website fandc.co.uk. You can also look at monthly factsheets and the latest Report and Accounts for each Investment Trust.

Your investment

A CTF could only be opened with the Government voucher but you can transfer an existing CTF to an F&C CTF account, or alternatively to an F&C Junior ISA account – for further information please visit fandc.co.uk.

Lump sum investments – for the Shares account, the minimum investment is £100 per trust. For the Stakeholder account the minimum investment is £10.

Regular investments – for the Shares account, the minimum monthly investment is £25 per trust. For the Stakeholder account the minimum monthly investment is £10. You can invest up to a maximum of £4,260 for the 2018/2019 tax year, which equates to £355 every month for 12 months.

	Minimum lump sum	Minimum lump sum top-up	Minimum monthly saving	Maximum lump sum*	Maximum monthly saving
Stakeholder Account (2018/2019 tax year)	£10	£10	£10	£4,260	£355
Shares Account (2018/2019 tax year)	£100 per trust	£100 per trust	£25 per trust	£4,260	£355

*Maximum limit each birthday year.

You can buy and sell shares in the F&C CTF on any Business Day. Postal requests we receive by 5pm (online requests by 11:59pm) on any business day will normally be carried out on the next business day.

You can start, stop, or change your monthly contributions or make a lump sum contribution at any time. We also accept contributions from third parties, for example grandparents, directly into an F&C CTF.

You should view your investment as long term.

IMPORTANCE NOTICE:

The Child Trust Fund (CTF) is a long-term tax-efficient savings account for children born between 1 September 2002 and 2 January 2011.

A new CTF cannot be opened but you can transfer an existing Child Trust Fund to F&C. For further information please visit fandc.co.uk or the Government website gov.uk/child-trust-funds.

The aims of our plans and the investment options

We offer a range of investment trusts, which aim to provide income, capital growth, or a combination of both.

To view daily updated performance information, please visit our website: fandc.co.uk. There are also factsheets to download and copies of the latest set of Report and Accounts.

Risk

Our Investment Trusts invest in the stock market. Some of them also invest in unlisted companies, other investment funds, and property. It's important that you understand there are risks as well as potential rewards before you decide to invest.

General risks

Gearing – Investment trusts can borrow money to make additional investments. This is known as “gearing” and is intended to boost your return on investment. However, it can also increase risk. Gearing tends to have a positive effect on the value of the trusts in a rising market, and an unfavourable effect in a falling market.

Charges taken from capital – Certain Investment Trusts prioritise generating income over capital growth. These Trusts may deduct part or all of their management charge from capital. This increases the amount of income available at the expense of capital growth.

Investment Trusts may also deduct charges and expenses from capital, if the trust has not earned enough income to cover these charges and expenses. This will reduce capital and limit its growth.

Liquidity – Investment Trusts may invest in smaller companies. Shares in smaller companies are generally traded less frequently than those in larger companies. This means both buying and selling shares in smaller companies may be difficult, and individual share prices may be subject to short-term price swings.

Premiums and discounts – As Investment Trust shares are publicly traded on the London Stock Exchange, their price is determined by market factors, such as demand and supply between buyers and sellers. The price will not necessarily accurately reflect the underlying value of the trust's portfolio of investments (its “net asset value” or NAV).

The share price of an Investment Trust may be either higher than the NAV – in other words, they are traded at a premium, or lower than the NAV – in other words, they are traded at a discount. Discounts and premiums vary constantly. Buying shares at a discount could be seen as value for money, but there is no guarantee the discount will narrow and there is a risk that it may widen further. Many factors influence the discount or premium, and a large discount does not necessarily indicate a bargain.

Price volatility – The value of your investment and the income from them is not guaranteed; the value can fall and rise due to stock market and currency movement. Past performance is not a guide to future performance. When you sell your investment, you may get back less than you originally paid for them. In certain circumstances, for example extreme market volatility, shares in an Investment Trust could be suspended from trading on the London Stock Exchange. You would not be able to purchase or sell these shares until the suspension is lifted.

Underlying investment exposures

In addition to these general risks, the shares of a particular Investment Trust are exposed to the investment risks associated with the assets it holds in its portfolio. The specific investment risks for each Investment Trust are described in their KID and in the KIID for the F&C FTSE All Share Tracker Fund, which you should read prior to deciding to invest.

Other Important Points

Investment needs – If you open an F&C CTF to fund a specific need, for example to pay university costs, you may not achieve your goal if you do not maintain your contributions or if your investment does not grow sufficiently.

Changing your mind – Applications to transfer to a CTF from another plan manager will be subject to a 14 day cooling off period. Transfers to the F&C CTF will only be actioned after the required 14 day cooling-off period has elapsed. F&C will undertake the transfer as soon as reasonably possible, but in any event not more than 30 days following receipt of the instruction, in the case of the F&C CTF this will be no more than 30 days following the expiry of the cooling-off period.

Your questions answered

What is an investment trust?

The Investment Trusts we describe in this document are investment companies listed on the London Stock Exchange. Investment Trusts own a portfolio of investments that are managed by professional managers. Owning shares of an Investment Trust allows you to spread your investment risk across a number of investments and potentially benefit from the expertise of professional fund managers.

The Investment Trusts available to F&C CTF holders include UK-authorized Investment Trusts and overseas closed-ended investment companies, but all are listed on the London Stock Exchange.

What is a Child Trust Fund (CTF)?

A CTF is an account held for a child. It is a tax-efficient way of investing in shares, investment trusts and other savings vehicles. The Government made the first contribution through the CTF voucher. It is tax-efficient because the growth in the account is not subject to personal income tax or capital gains tax.

What types of CTF are available?

There are three types of CTF account – Shares, Stakeholder and Savings.

What is the F&C CTF?

F&C offer a Shares CTF and a Stakeholder CTF. F&C do not offer Savings (that is a cash) CTF.

What is the difference between Shares and Stakeholder CTF accounts?

The ‘Shares’ CTF account is not subject to the Stakeholder account requirements. The Stakeholder account must comply with certain Government criteria, although Stakeholder status does not imply any endorsement from the Government. The Stakeholder CTF account must have some exposure to equities, although the investment choice is limited as shown by the table directly below. The minimum contribution for all Stakeholder CTFs is £10 and charges are capped at 1.5% a year. Stakeholder CTFs need to conform to certain criteria and as such the only fund option is the Tracker Fund.

Is my child eligible?

Every child born on or after 1 September 2002 and before 3 January 2011 was eligible to receive a lump sum from the Government in the form of a CTF voucher, as long as Child Benefit was awarded and they were resident in the UK. The Junior ISA (JISA) is available for those under the age of 18 years who did not qualify for a CTF. However, since April 2015 it has been possible to transfer a Child Trust Fund into a Junior ISA. For further information please visit fandc.co.uk or the Government website gov.uk/child-trust-funds.

Who can open a CTF?

To be able to open a CTF on behalf of a child, you must have parental responsibility for that child. You may be the child's natural parent, or a person who has legally adopted the child or a person who has been granted legal authority by the courts. The person opening the

CTF will become the 'Registered Contact'. The Registered Contact is responsible for investment choices within the CTF and all further instructions regarding the account must come from them. Please note there can only be one Registered Contact per account.

We are not able to accept applications for an F&C CTF from investors located in the US. You should notify us if you move to the US.

What if my child is not eligible?

There are a variety of other savings plans available, including the F&C Children's Investment Plan and F&C Junior ISA. Please ask us for a booklet or visit our website, fandc.co.uk.

Change in personal circumstances

Should personal circumstances change, we can amend details of the Registered Contact. Please contact our Investor service team for further details. Where a child for whom the CTF account has been set up is under 16 years of age, postal instructions received from the Registered Contact to update their address will result in the address details for both the Registered Contact and the child being updated unless we are advised otherwise.

Who can contribute to a CTF account?

Anyone can make contributions to the account whether they are parents, grandparents, other family members or friends. Only the Registered Contact is allowed to make investment decisions. Contributions made by other people will therefore be invested into a default fund unless we receive written instructions from the Registered Contact to the contrary. The default fund is set at outset and is the fund into which the CTF voucher was invested or the investment trust subsequently selected by the Registered Contact for the investment of subscriptions (other than online subscriptions received without specific instructions) This default fund can be changed by the Registered Contact at any time. We will notify the Registered Contact when further contributions are made to the CTF. The minimum/maximum monthly savings per holding limits can be split between more than one bank account.

Are there contribution limits?

The government has set the maximum that can be contributed each year up to a limit of £4,260 for a birthday year ending in the 2018/19 tax year. For this purpose, a 'birthday year' is the 12 month period starting on your child's birthday. For example, if the child's birthday is on 9 January, the birthday year will end on 8 January the following year. If contributions into the CTF in one year do not reach the maximum allowed, any remaining allowance cannot be carried forward to the next year.

How do I apply for a CTF?

You can transfer an existing CTF to an F&C CTF account provided that the entire CTF is transferred and that, in the case of a CTF Shares account, the minimum transfer in value is £100.

Simply complete the F&C Child Trust Fund (CTF) Transfer Form (available on our website, fandc.co.uk, or by requesting it from our Investor Services team). We contact your existing CTF plan provider and arrange the transfer for you. We only accept transfers as cash, and we can't accept further contributions into the new F&C CTF until your existing CTF manager has completed the transfer.

Please note we can only take instructions from the Registered Contact.

What confirmation will I receive?

Within five days expiry of the cooling-off period, we send you a Welcome Pack confirming we have set up your account. You also receive information on your right to change your mind.

How do I make subsequent contributions to an F&C CTF?

To make a lump sum contribution, you can send an F&C CTF Top

Up form with a cheque made payable to F&C Management Ltd. The Top Up form is available at fandc.com/literature or by contacting our Investor Services team. Alternatively you can invest online using a debit card – please note that this option is only available to the Registered Contact on the CTF.

You can also make monthly contributions by direct debit either online or by completing and returning the direct debit instruction on the application form. We collect direct debits from your bank account on or around the 1st of each month.

Will I have access to the money in the child's F&C CTF?

You may not withdraw money from a CTF. The child in whose name the plan is set up will have full access to the funds on their 18th birthday, after they establish their identity to our satisfaction and as legally required. We will send details of how to establish the child's identity before their 18th birthday. After the child's 18th birthday, only they may give instructions on the account.

	Stakeholder account	Shares account
OEICs/ICVCs	Y	Y
Investment trusts	N	Y
Unit trusts	N	Y
Life assurance	N	Y
With-profits	N	Y
Endowments	N	Y
Insurance bonds	N	Y
Deposit accounts and cash	N*	Y

* See 'Do you have a Deposit Account within the CTF?' for further details. Lifestyling has been removed as a key feature of the product.

Are there any restrictions on how the child can use the money when they reach age 18?

Once your child reaches the age of 18, the money in the account becomes theirs and there are no restrictions on how they use or spend it. On the child's 18th birthday, the F&C CTF becomes a normal ISA and it continues to enjoy the tax benefits of an ISA. At that point, we will send the child the ISA Key Features Document so they can familiarise themselves with their account.

Is there any tax payable on the child's F&C CTF?

There's no personal income or capital gains tax to pay on the growth in the account value.

Can any income from the F&C CTF be paid out?

Income from an F&C CTF is not paid out. All income generated within an F&C CTF is reinvested and used to buy further shares.

How do I set up or amend details of a direct debit?

You can set up or amend the bank account details of a direct debit online or by completing a new direct debit mandate form. You will receive this form in your Welcome Pack when you open a new account. If you need another form, download it from our website, fandc.co.uk, or request it from our Investor Services team.

It can take at least 14 days between us and your bank/building society to set up or amend your instruction, and it will apply to the next possible contribution after this.

You can also change the amount you invest each month or change the funds you invest into. You can do this online, by calling us on 0345 600 3030, or by instructing us in writing. Please make sure this notification reaches us at least 10 working days before the next collection date, normally the 1st of each month, — so we can make the change before your next contribution.

How many funds are available within the F&C CTF?

F&C offers both types of CTF account – Shares and Stakeholder. The Shares account offers a range of different investment trusts and a deposit account. Further details about the individual trusts can be found on our website, fandc.com. The Stakeholder account invests solely in the F&C FTSE All-Share Tracker Fund.

Can I switch between Investment Trusts?

You can sell the shares and switch between Investment Trusts within the F&C CTF at any time online, or by instructing us by post using our standard form of instruction (subject to the minimum investment amounts). You can switch up to twice a year at no charge. Should you wish to switch more frequently, the charge will be £25+VAT per switch. You should read the KID for the Investment Trusts into which you wish to switch.

Shares are normally sold on the next business day after we receive your instruction, and we use the proceeds to purchase the new shares on the following business day. If you have a direct debit for contributing into the trust that you have switched out of, this will continue unless you instruct us otherwise.

Can I transfer between the Shares and Stakeholder accounts?

Yes, it is possible to transfer between the two types of account. The entire CTF must be transferred; partial transfers are not allowed. This can be done by completing a simple form available on our website or from our Investor Services team. Please note that there is only one fund available under the Stakeholder account. Transfers will be actioned after the 14 day cooling-off period has elapsed.

Do you have a Deposit Account within the CTF?

Yes, there is a Deposit Account within F&C's Shares CTF. This gives you the option to protect some or all of your CTF investment against falls in the stock market. This may be of particular benefit as your child nears the age of 18 when a sharp fall in share prices could reduce the value of your investment just as your child needs it. Please note, the Deposit Account is not available as an investment option at outset, nor is it available to receive additional subscriptions or Direct Debit payments. The account will pay interest equivalent to the Bank of England base rate less 1%. Consequently when the Base Rate is 1% or less no interest will be credited to the F&C CTF accounts investing in the Deposit Account. There is no deposit account within the F&C Stakeholder CTF.

Can I manage the F&C CTF online?

The Registered Contact can manage an F&C CTF online at fandc.co.uk. Online access is subject to the F&C Online Terms and Conditions available at fandc.co.uk. Not all account features are available online. Direct any questions to our Investor Services team on 0345 600 3030*. You can also email us at investor.enquiries@fandc.com.

How can I follow the progress of the CTF?

To track the progress of the CTF we send a full statement to the Registered Contact every February. The full statement shows how much has been contributed to the F&C CTF for the six months to 31 December and the value at this date. Additional client reports are sent out as at 31 March, 30 June and 30 September detailing the name of the Investment Trust held, nominal holding and valuation.

Once the designated child reaches the age of 16, they may become the Registered Contact and can assume control over the F&C CTF. In that case, we send all future statements and quarterly client reports directly to them. We may charge for duplicate or replacement statements if you request them.

For more regular updates, you can:

- register to view the account online

- refer to the Financial Times (published daily), which gives the daily mid-market price for each Investment Trust together with the estimated NAV (net asset value), dividend yield, and discount or premium
- visit our website fandc.co.uk where we list share prices daily

Can I change my mind after I have applied for a CTF?

Applications to transfer a CTF from another plan manager will be subject to a 14 day cooling off period. Irrespective of whether a transfer is an internal transfer or a transfer to F&C from another Plan Manager, the entire CTF must be transferred; partial transfers are not permitted. Transfers must meet the minimum balance requirements of the product being transferred into. Transfers to the F&C CTF will only be actioned after the required 14 day cooling-off period has elapsed. F&C will undertake the transfer as soon as reasonably possible, but in any event not more than 30 days following the expiry of the cooling-off period.

What if I wish to transfer my F&C CTF to an F&C JISA?

Since 6 April 2015 it has been possible to transfer a CTF into a JISA. To do this the Registered Contact of the CTF would simply need to complete a 'Transferring from an F&C Child Trust Fund to the F&C Junior ISA' form.

The entire CTF must be transferred to the JISA and the amount being transferred must meet the minimum transfer requirement of the F&C JISA, which is £500.

When the transfer is completed the CTF account will be closed and a new JISA account will be opened. Once the JISA account has been opened this cannot be closed and transferred back into a CTF. F&C will not charge you for the transfer, however, when the CTF account is closed a pro-rata annual management fee will be collected. If you usually pay your annual management fee by direct debit please note that the pro-rata fees will be settled by using uninvested cash or selling shares within the CTF, rather than by direct debit collection from your bank account.

If you hold a CTF Shares account and wish to retain the same shares within the JISA then this will be transferred 'in specie'.

If you hold a CTF Stakeholder account then please be aware that the F&C FTSE All Share Tracker Fund that you invest into is not available through the JISA. This means that your shares will be sold and the proceeds reinvested within the JISA. A dealing charge of £12 per fund will apply when the proceeds are reinvested within the JISA.

Any direct debit instructions in place on your CTF account will be cancelled and will need to be reinstated on your JISA. This can be done by completing the relevant sections and direct debit mandate included as part of the transfer form.

Once the transfer is complete you will be able to use the full JISA allowance for that tax year regardless of what you have paid into the CTF during the same year.

If you transfer from an F&C CTF Stakeholder account to a JISA you should be aware that the account will no longer have access to the following features that are currently available within the Stakeholder CTF:

- A minimum top up level of £10 (The minimum for monthly payments into the JISA is £30 per month and the minimum for lump sum payments is £250)
- Annual charges being capped at 1.5%

A child cannot have both a CTF and JISA set up in their name. If for any reason the transfer from the CTF to the JISA is unsuccessful then the JISA account will be invalid and any subscriptions that have been made to the JISA will be returned. The CTF will remain intact.

What if I wish to transfer my F&C CTF to another manager's CTF or JISA?

Since 6 April 2015 you are able to transfer your F&C CTF not only to

another manager's CTF, but also to another manager's JISA. Your new CTF manager or JISA manager will advise you of the necessary procedure and provide you with the necessary transfer form. F&C do not charge you for this transfer. Transfers can be made in cash or stock but must only be made of the entire CTF account; partial transfers are not allowed.

A child cannot have both a CTF and a JISA set up in their name. If for any reason the transfer from the F&C CTF to another manager's JISA is unsuccessful, any JISA that has been opened on a provisional basis will be invalid and the CTF will remain intact.

What are the fees and expenses for the Shares account?

There are various costs associated with buying an Investment Trust through an F&C Shares CTF. These costs affect the overall return on your investment. Fixed transaction charges, such as the dealing charge, have greater effect proportionately on low value transactions.

Actual CTF charge – Shares account

Initial charge	Nil
Annual charge	£25+VAT
Government stamp duty (where applicable)	Purchases – 0.5% Sales – Nil

*Government stamp duty applies to share purchases on all UK registered companies (or companies which maintain a UK register of shareholders). F&C Commercial Property Trust and F&C UK Real Estate Investments Limited are registered overseas and therefore Government stamp duty does not apply.

What is the effect of these charges and expenses on investments in the shares account?

The tables overleaf illustrate the effects of all charges and expenses on an investment in Foreign & Colonial Investment Trust through the F&C CTF. The calculations are based on a lump sum investment of £1,000 and regular savings of £25 a month. The figures assume a growth rate of 7% a year, with the spread as at 29 March 2017 and the ongoing expenses figure at the time of preparation. These figures are examples only and are not guaranteed – they are not maximum or minimum amounts. You could get back more or less than this. What you will get back depends on how your investment grows and on the tax treatment of the investment.

The charges which have been included are as follows: 0.68% initial expenses (which includes the bid/offer spread and Government stamp duty) annual expenses of 0.79% and an annual charge of £25 + VAT.

Please note that the amount you might get back will be reduced by the sales charge if you choose to sell your investment at the end of term.

Other charges and costs

Other charges or costs that affect the overall return from your investments include:

- bid/offer spread
- annual expenses
- transaction costs.

Bid/offer spread – The difference between the buying price (offer) and selling price (bid) of Investment Trust shares. The spread varies according to the number of shares traded and their availability on the market.

Annual expenses – The operating costs associated with running an Investment Trust (applies to the CTF Shares option), for example, the management fee paid to the investment manager or its associates, auditors' fees, directors' remuneration, transaction and promotional costs. The Investment Trust bears these costs, which are detailed in its KID published on our website [fandc.com /literature](http://fandc.com/literature)

Transaction Costs – The cost of buying and selling underlying shares in the portfolio.

How can I pay the annual charges on my Stakeholder CTF?

The CTF fee is applied on 31 December each year and you can pay this by Direct Debit. You can set up a direct debit to pay the charge online or complete our Instruction to Pay Account Charges Using a Direct Debit form. You can download the form at fandc.co.uk or ask our Investor Services team for a copy. Otherwise, the fee will be collected first from any uninvested cash on the account and then by selling shares from the holding. Ten days are allowed for rejections from the bank.

How can I pay the annual charges on my Shares CTF?

We apply the annual management charge in two equal instalments on 5 April and 5 October each year. You can set up a direct debit to pay the charge online or complete our Instruction to Pay Account Charges Using a Direct Debit form. You can download the form at fandc.co.uk or ask our Investor Services team for a copy. We allow ten days for your bank to accept or reject the direct debit.

If you do not set up a direct debit to pay the annual management charge or if your bank rejects your direct debit, we take any unpaid charge first from uninvested cash in the F&C CTF and, if there is not enough cash, we sell shares of the Investment Trust with the highest number of shares (note that this may not be the shares with the highest value in the account).

How much will advice cost?

Your financial adviser, if you have one, will give you details about the cost of their advice. You pay your advisor directly. We do not process payments for advice related to the F&C CTF.

Features of the F&C CTF Stakeholder account and investment options

CTF providers are required to make available a Stakeholder CTF option. Stakeholder CTFs are intended to provide a balanced equity exposure and offer minimum investment limits and cap management charges at levels set by the Regulations. The F&C CTF Stakeholder has the following features:

Investment Option

Accumulation shares F&C FTSE All-Share Tracker Fund Share Class 1 ('the Fund').

Minimum investments

Lump sum £10. Monthly savings £10 per month.

Annual charges

Capped at 1.5% including on-going expenses charged in the Fund.

The Fund is an open-ended investment fund. The Key Investor Information Document (KIID) for the Share Class 1 Accumulation Shares is designed to provide investors with important information to help understand the nature and risks of investing in this Fund. Applicants for the F&C CTF Stakeholder Option are advised to read the KIID to make an informed decision on whether to invest in this Fund.

A copy of the KIID is provided with this Key Features Document and further copies are available at bmogam.com/kids and from 0800 136 420 (Monday to Friday from 8:30am to 5:30pm, calls may be recorded or monitored for training and quality purposes).

Please note, the Fund is a fund of an open-ended investment company and is not an investment trust and its shares are not listed on the London Stock Exchange. The Fund is authorised by the Financial Conduct Authority as an Undertaking for Collective Investment in Transferable Securities (UCITS) scheme. In addition to the KIID the Fund's prospectus and interim and annual accounts are available from fandc.co.uk.

What are the characteristics of an Investment Company with Variable Capital (ICVC)?

An ICVC is a company incorporated in England and Wales under the Open Ended Investment Companies (OEIC) Regulations 2001. An ICVC may be structured as an umbrella scheme with a number of sub-funds. Each sub-fund comprises a pool of assets invested in accordance with that Fund's investment objective. The assets of a sub fund may only be used to pursue that sub-fund's investment objective and cannot be used to satisfy the liabilities of another sub-fund.

How is my investment managed?

Investors are able to pool their money in the sub-fund by buying shares in the sub-fund. This money is then invested across a wide range of holdings such as company shares, government securities and other permitted investments. The investor's exposure is diversified across the portfolio in which the fund invests. A professional fund manager then manages these investments. Shares in the OEIC are bought and sold at 'NAV' price. The NAV price is calculated by valuing the fund's investments and dividing it by the number of shares in issue at the valuation point. The NAV will go up and down depending upon the performance of the investments held by the fund.

What types of share are available?

Only accumulation shares in the Fund are available through the F&C CTF Stakeholder account. Dividends in respect of accumulation shares are retained in the fund and added to the value of the shares so there will be no entries for dividends on your account statements.

What is the profile of a typical investor?

The Fund is suitable for retail investors seeking an equity investment with an investment horizon of at least five years. If you are in any doubt as to the suitability of an investment, please consult a financial adviser.

How do I open a F&C CTF Stakeholder account?

You can transfer an existing CTF to an F&C CTF Stakeholder account.

How do I sell shares or switch account?

You cannot sell shares and receive the cash proceeds, as all contributions must remain within the CTF until at least the child's 18th birthday. There are no other fund choices available under the Stakeholder account to switch into. You can, however, instruct us to transfer from the Stakeholder account into the Shares account. You must transfer the entire account, as partial transfers are not permitted.

How much can I invest in the F&C CTF Stakeholder?

You can only open an F&C CTF Stakeholder account by transferring the whole of an existing CTF. Thereafter, the minimum lump sum investment in the existing Stakeholder account is £10. The minimum regular savings amount is £10 per month.

Can I take an income from the CTF account?

No. Any income generated within the Fund is accumulated and reflected in the price of shares.

What happens if I change my mind?

If you apply to transfer your existing CTF to an F&C CTF Stakeholder account you will be given 14 days from when we receive your transfer application to change your mind. If we have not received instructions from you, we will then write to the current CTF provider and arrange for the transfer to take place within 30 days. Please note, we can only take instructions from the Registered Contact. Any cash received by F&C will be paid into a client money bank account pending investment in your F&C CTF. No interest will be paid on these cash balances.

Will there be any tax payable on my child's CTF stakeholder account?

No. Proceeds from CTFs are free from both income and capital gains tax.

Are there other features specific to investment in an open-ended fund?

The ACD

The Fund is operated by an ACD not a board of directors. F&C Fund Management Limited is the Authorised Corporate Director (ACD), which is authorised and regulated in the UK by the Financial Conduct Authority. It provides professional investment management services and controls the assets and operation of the Fund. Its address is F&C Fund Management Limited, Exchange House, Primrose Street, London EC2A 2NY.

The Depositary

The Depositary holds the property of the fund and oversees certain of the ACD's activities. The Depositary for the F&C funds is State Street Trustees Limited, which is authorised and regulated in the UK by the Financial Conduct Authority. It is an independent body designed to safeguard the interests of the shareholders. It ensures that the ACD acts in accordance with the Prospectus and adheres to the relevant regulations. Its registered office is 20 Churchill Place, London E14 5HJ and its principal place of business 525 Ferry Road, Edinburgh EH5 2AW. State Street Trustees Limited are regulated by the Financial Conduct Authority.

How does Stamp Duty Reserve Tax affect the Fund?

The Fund bears Stamp Duty Reserve Tax (SDRT) levied on transactions in shares in the Fund rather than it being charged to the individual investor. SDRT is payable when shares in the Fund are repurchased, except where sales in aggregate exceed repurchases. The amount payable is calculated in arrears, based on the total sales and repurchases in the preceding two weeks.

How does dilution affect the Fund?

Investors buy and sell shares at the net asset value price which is in between the price at which the ICVC fund buys and sells the shares that make up the underlying portfolio. This means that a sufficient number of deals of one type in the shares of the Fund or a single large deal of sufficient size in the shares of the Fund might cause a loss to the Fund. This effect is called dilution. In order to reduce the effect of dilution and to protect investors in the Fund, the ACD has adopted 'swinging single prices', which means that a share price may be moved towards the offer value when purchases exceed sales and towards the bid value when sales exceed purchases. Full details of the dilution policy and the application of swinging prices are available on request.

What is commission sharing and does it affect my investment?

F&C uses commission sharing agreements when dealing on behalf of the Fund. Under commission sharing agreements, a proportion of the commission paid to the broker may be used to purchase execution or research services in accordance with Financial Conduct Authority regulations. F&C's policy on the use of commission sharing agreements is available on request.

Where can I check the latest price for the Fund?

The Fund's NAV is published daily in the Financial Times and on our website.

Where can I get further information on the F&C All Share Tracker Fund?

Interim short reports (six months to 31 October), annual short reports (to 30 April), and audited annual accounts are available on request. You can get these reports and further information on the Fund, including the full prospectus from fandc.co.uk or by contacting our Investor Services team on **0800 136 420** (Monday to Friday from 8:30am to 5:30pm, calls may be recorded or monitored for training and quality purposes). Regular factsheets are also available on fandc.co.uk.

Further information

CTF manager and administrator

The CTF manager provides administration services for the plan. It is F&C Management Limited, whose registered office is at Exchange House, Primrose Street, London EC2A 2NY, which is authorised and regulated by the Financial Conduct Authority and is entered on the Financial Conduct Authority register. F&C Management Limited has appointed DST Financial Services International Ltd and DST Financial Services Europe Ltd to provide certain administrative services on its behalf. All correspondence should be addressed to F&C Management Limited, PO Box 11114, Chelmsford, CM99 2DG.

Investment manager

The F&C Group provides investment management services to the investment trusts. With the exception of the trusts listed below, the investment manager is either F&C Management Limited or F&C Investment Business Limited which are authorised and regulated in the UK by the Financial Conduct Authority.

Trust	Investment Manager
ICG Enterprise Trust plc	Intermediate Capital Group (ICG)

Nominee

The nominee for the Shares Account and the Stakeholder Account is State Street Nominees Limited, 525 Ferry Road, Edinburgh, EH5 2AW.

Dealing

When you contribute a lump sum, we buy shares on the next business day after the day we receive your instruction and payment providing this is a business day.

Transferring funds from other CTFs takes approximately 30 days because we must inform your current plan provider and await payment from them. Your funds are un-invested from the time your current plan provider sells your investments or withdraws your cash, until we are able to set up your F&C CTF account and invest the proceeds.

We treat switches as two separate instructions: a sale and a purchase. Until we know the proceeds of the sale, we cannot follow the purchase instruction. Consequently, we may not act on the purchase instruction until the day after the sale occurs. If you instruct us to switch and you invest monthly by direct debit, the amount you contribute through direct debit for the Investment Trust you are selling will continue after the sale unless you instruct us otherwise.

For regular investors in our Savings Plans, we:

- collect direct debits from your bank account normally on or around the 1st of each month
- purchase investments normally five business days after the direct debits are collected
- hold money we are waiting to invest on your behalf in a client money bank account
- do not pay interest on un-invested cash in your F&C CTF
- buy shares at the offer price available at the time of purchase

Any money waiting to be invested will be held on your behalf in a client money bank account.

Best execution

We do not provide a market dealing facility for individual buy and sell instructions. Instead we combine your investment instructions with the instructions of other investors and carry the combined order out on the next available dealing day by placing orders with a broker dealing on the London Stock Exchange. This means the price you obtain may be more or less favourable than if the order was carried out individually.

We have in place an order execution policy to ensure we take all sufficient steps to get the best possible result for you when we transmit your orders to a broker for execution, and we have a programme of pre and post trade monitoring to ensure our duties are met. We publish details annually of our top brokers and the execution results we achieve.

Alterations to the plan

The F&C CTF manager may alter the plan or cease to act as a CTF manager at any time. We will give you written notification in advance of any alteration and advise you about your options. Further details can be found in the Terms and Conditions.

Publicly available information

Because they are stock exchange listed companies, Investment Trusts are required to make announcements and publish information directly to the market and to shareholders in accordance with the Listing Regulations. Any information that is relevant to our F&C CTF holders that we receive from the Investment Trusts that is intended for shareholders we endeavour to make available to you.

Open-ended investment companies are required to publish daily prices and provide interim and annual reports in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook.

Questions and complaints

If you have any questions or complaints, or if you would like a leaflet outlining our complaints procedure, please contact the Investor Relations Manager, F&C Management Limited, Quaternile 4, 7a Nightingale Way, Edinburgh EH3 9EG or call 0345 601 3313 (Monday to Friday 9.00am to 5.00pm. Note that calls may be recorded or monitored for training and quality purposes).

If we do not investigate your complaint to your satisfaction, you have the right to refer it to the Financial Ombudsman Service, Exchange Tower, London E14 9SR, www.financial-ombudsman.org.uk 0800 023 4567. If you opened your account through our online service, you also have the option of raising your complaint through an online platform provided by the European Commission on their website www.ec.europa.eu/consumers/odr. The European Commission is not able to resolve your complaint, but it can facilitate a resolution. Making a complaint will not prejudice your right to take legal proceedings.

Compensation

The F&C CTF manager is covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if the F&C CTF manager cannot meet its obligations. Most types of investment businesses are covered for up to £50,000, but the circumstances of the claim may impact the compensation. Further information about compensation is available from the Financial Services Compensation Scheme, FSCS PO Box 300, Mitcheldean, GL17 1DY, 0800 678 1100 www.fscs.org.uk.

Corporate activity

Where appropriate, if any of the trusts you have chosen to invest in is involved in a rights issue, an issue of new shares, a takeover bid, or anything similar, the Registered Contact will be given information to allow them to take whatever action they decide on. Unless there is a clear instruction from the Registered Contact, the F&C CTF manager will not act on their behalf, unless the documents relating to the specific corporate event require the F&C CTF manager to act.

You have the right to attend and vote at General Meetings of the trust(s) in which you are invested. We will provide you with a form to name someone to vote on your behalf. The F&C CTF manager may vote shares for which we have not received instructions in the same proportion as the shares for which we have received instructions.

Additional information

You can find further information about the trusts in which the F&C CTF is invested in their respective Report and Accounts. We will make these available to the Registered Contact, and they are also available to download from our website, fandc.co.uk, or you can ask for them from our Investor Services team at 0800 136 420.

General terms and conditions for the F&C Investment Trust Savings Plans

These Terms and Conditions apply to all Investment Trust Savings Plans F&C Investments (F&C, we, our, or us) provides to Account Holders (you, yours). Terms that are capitalised in this document are defined terms. You can find the definitions in the Terms & Conditions.

The General Terms and Conditions apply to:

- F&C Private Investor Plans and F&C Children's Investment Plans
- F&C Investment Trust ISA Plans, F&C Junior ISA Plans, and F&C Child Trust Funds, with additional terms and conditions, and modifications
- F&C Legacy Plans, with certain restrictions
- Online Service Terms and Conditions apply to Account Holders using the Online Service.

About F&C Investments

F&C Investments is authorised and regulated by the Financial Conduct Authority. The FCA's address is: 25 The North Colonnade, Canary Wharf, London E14 5HS. Our registered company name is F&C Management Limited: Firm Reference Number: 119230. Our registered office address is: Exchange House, Primrose Street, London, EC2A 2NY.

You can contact us using the contact details set out below:

Call: 0800 136 420

Email: info@fandc.com

Write to us at: F&C Management Limited, PO Box 11114, Chelmsford CM99 2DG

Purpose

F&C Investment Trust Savings Plans give individuals a simple way to invest in a range of Investment Trusts we manage. We do not:

- give investment advice
- recommend what to buy
- assess whether an investment is right for you
- assist Account Holders or Registered Contacts with tax returns

We only carry out transactions Account Holders or Registered Contacts ask us to make. If you are not sure if an investment is suitable for you, you should get independent financial advice.

FCA Regulations require us to tell you that we will communicate with you in English and all documentation provided to you will be in English.

General terms and conditions

Definitions

Account Holder – a person (or persons) we register as the owner of the account (in this document, you or yours).

Business Day – any weekday that banks are open to conduct normal banking business in London. (Saturdays, Sundays, and public holidays are not Business Days).

CTF Regulations – this refers to the Child Trust Fund Act, 2004 Regulations and the Child Trust Fund Regulations as amended or replaced.

Dealing Day – any Business Day the London Stock Exchange is open for business.

F&C – the entities making up the F&C Group. F&C Asset Management plc is the parent in the F&C Group. F&C Asset Management plc is itself a wholly owned subsidiary of the Bank of Montreal.

F&C CIP – The F&C Children's Investment Plan.

F&C CTF – The F&C Child Trust Fund.

F&C ISA – The F&C Investment Trust ISA.

F&C JISA – The F&C Junior ISA.

F&C Legacy Plans – these are savings plans that are closed to new applicants. Continuing Account Holders can keep the shares in F&C Legacy Plans they already hold.

F&C PIP – The F&C Private Investor Plan.

F&C Plan – a Savings Plan F&C manages.

FCA – the Financial Conduct Authority (or successor body)

FCA Regulations -the rules of the FCA (or successor body) as may be in force.

FOS – the Financial Ombudsman Service (or successor body).

ISA Regulations – the Individual Savings Account Regulations 1998 as amended or updated.

Investment Trust – an investment company (including UK-authorized Investment Trusts, UK investment companies, and overseas investment companies) listed on the London Stock Exchange and allowed as Permitted Investments under the Regulations.

KID – the latest Key Information Document for each Investment Trust that we must provide you in advance of you making any decision to invest.

KIID – the latest Key Investor Information Document for a fund that we must provide you in advance of you making any decision to invest.

Legacy Investment – an Investment Trust previously offered for investment in an F&C Plan but no longer available for new investment within the Savings Plan.

Non-UK Investor – an investor not resident in the UK or someone treated as tax resident by another country.

Permitted Investments – investments permitted for a particular F&C Plan under the Regulations.

Post-Sales Cost Disclosure – Disclosure of all actual and implied costs and charges incurred by the investment trust over the previous year

Pre-Sales Cost Disclosure – Disclosure of all costs and charges anticipated to be incurred by the investment trust over the following year

Registered Contact – the person opening the F&C CTF who is responsible for investment choices in the account and the issuing of instructions.

Regulations – FCA Regulations, ISA Regulations, and CTF Regulations as the context requires.

Savings Plans – a group of accounts that enables investment in shares of Investment Trusts with common terms identified by a plan or product title.

Terms and Conditions – the terms and conditions set out in this document and in the application form.

Eligibility

Eligibility

You must be 18 or over to apply for an account in an F&C Plan. We will not register more than four people on a particular account. Each Account Holder or Registered Contact must give us satisfactory evidence of their identity and provide information about other beneficial owners of the account. This requirement will also include mandatory client information as required for

regulatory transaction reporting for each account holder and / or decision maker. Regulations restrict who can own ISA, JISA, and CTF accounts. More information is available in other sections of these Terms and Conditions.

These accounts are intended for UK investors, though we may accept at our sole discretion applications from non-UK investors. We may close or restrict accounts that, in our opinion, could require us to meet non-UK regulatory or tax obligations.

US Persons may not open accounts. A US Person is anyone subject to US law for tax purposes. This includes someone who invests on behalf of such a person. If an existing Account Holder becomes a US Person, we may restrict or close their account.

Account applications

You can apply in writing using the application form or through F&C's online service where applicable. We may ask for additional information to establish or verify your identity or the identity of beneficial owners of the account. If you do not give this information within a reasonable time, we may close or restrict the account. You should read the latest KID for each Investment Trust you select, and the KIID for the F&C FTSE All-Share Tracker Fund (Share Class 1 Accumulation) if applicable, prior to investing and you should also read pre-sales cost disclosures for the plan before setting up an account and investing.

You can find these on our website at fandc.com/ literature or you can request a paper copy.

We have the right to reject applications.

Account Holder

We register the account in the name of the applicant(s). Each account has a unique identification number. To further identify an account, you may also provide us with a name for the account.

We use the address of the first person listed on the application or account as the registered address for the account. In the case of a CTF, we use the address of the Registered Contact.

Client classification

We classify Account Holders as retail clients. This provides you with the highest level of protection under applicable FCA Regulations.

Permitted transactions

You can only invest in Permitted Investments within the minimum and maximum amount for the account. You can pay into the account by:

- contributing a lump sum
- setting up a regular direct debit to transfer funds into the account
- giving us a mandatory standing instruction to reinvest dividends into additional shares of the same Investment Trust that generated the dividend

A "switch" instruction is an order to sell shares and invest the proceeds in another Investment Trust. We process the sale instruction first, followed by the buy instruction on the following business day. If you instruct us to do a switch and you invest monthly by direct debit into the Investment Trust that you are selling, remember that amounts you invest into that Investment Trust through the direct debit will continue after the sale unless you instruct us to stop.

If your instruction to sell shares leaves the balance of that investment below the minimum permitted balance, we sell the remaining shares of that

investment. If the account does not hold any other investments and there is no active Direct Debit contribution set up, we close the account.

Other than customers who hold F&C JISA and F&C CTF accounts, Account Holders may:

- ask that shares held in the Account be transferred to share certificates in the names of the Account Holders
- add or remove registered Account Holders

Note that we may charge administration fees for these actions.

Instructions

Investment instructions must be either:

- by post, using our standard form (which varies on the type of instruction), and signed by all Account Holders (or by the Registered Contact in the case of an F&C CTF); or
- through our online service where applicable

Due to regulatory requirements, we regret that we are not able to accept any investment instructions not received either on-line or using the standard form.

We ask you to use our standard forms so we have all information we need to carry out the instruction. These are available for you to download from our website, fandc.co.uk, or you can request them from our Investor Services team. You should make sure that you provide all information requested on the form in full for all named account holders and decision makers.

Investment instructions are subject to our acceptance and we have the right at our sole discretion to reject instructions. Once we accept investment instructions you may not withdraw them. We process instructions according to these Terms and Conditions.

Buying and selling shares

We process accepted investment instructions on the first available Dealing Day and combine them with other investment instructions for the same shares from other clients. We place the combined instructions with a broker we have chosen to carry them out. We have in place an order execution policy to ensure we take all sufficient steps to get the best possible result for you when we transmit your orders to a broker for execution. We monitor the quality of our trade execution on an ongoing basis. We publish details annually of our top brokers and the execution results we achieve.

We may wait for your funds to clear before we accept your purchase instructions. If the purchase is part of a switch, we normally accept the purchase instruction once we confirm how much money came from the sale. We do not wait for settlement of the sale.

The Account Holder or Registered Contact is responsible for providing us with funds to purchase investments for the account. We only accept payments drawn on a UK bank account and payable in sterling.

If a cheque for a purchase does not clear, we cancel the purchase in full. Cancelled purchases do not count toward ISA, JISA, or CTF contribution limits. If you send a cheque to replace one that did not clear, the date of contribution is the date we accept the replacement cheque. In the case of cheque payment, the Account Holder (or the Registered Contact acting on the Account Holder's behalf in the case of an F&C CTF) confirms that payment is received in full on first presentation.

When you invest by regular Direct Debit, we usually collect contributions from your bank account on, or around, the first of the month. We invest the contribution six Business Days from the date of collection.

We carry out trades that invest direct debit contributions or reinvest dividends on a combined basis, not account-by-account. We allocate the results of trades fairly, based on the combined investment instructions we receive from Account Holders or Registered Contacts.

We normally send the proceeds six Business Days after the relevant Dealing Day. We do not accept notice that you require sale proceeds by a particular time or for a particular purpose. Subscriptions to the account are gifts to the Child and cannot be returned to a donor or withdrawn from the CTF before the Child's 18th birthday.

Transaction and periodic reporting

Transaction and periodic reporting
We issue transaction confirmations for purchases and sales of shares, but do not issue confirmations for:

- contributions you make by Direct Debit
- reinvesting dividends
- the sale of investments to settle administration and dealing charges owed to us

We will send you full periodic statements showing new transactions on the account and a valuation of your investment holdings in February each year. We send you only a valuation of your investment holdings in April, July and October each year. We send them by post to the Account Holder for the account or to the Registered Contact (in the case of a CTF). You can request additional statements at any time but we may charge a fee for them to cover our reasonable costs of administration. If you use the Online Service, you can access copies of statements and transaction history online.

We will also send you an annual after-sales cost disclosure statement together with our full periodic statement in January each year. This sets out all the costs and charges incurred during the preceding year relating to your account, and enclosing an illustration of the costs of charges on your investment returns. This will commence from 2019.

You can also request an itemised breakdown of costs from us, by contacting us at our address: F&C Management Limited, PO Box 11114, Chelmsford, CM99 2DG.

Income from investments

We reinvest dividends unless you instruct us to pay them out. Reinvesting dividends is compulsory for JISA and CTF accounts. "Reinvestment" means using the dividend to buy additional shares of the same type that generated the dividend, if such shares are still a Permitted Investment for that account.

You may ask us to make dividend payments to a nominated bank or building society in the name of the Account Holder or by cheque. We will make the cheque payable to the Account Holder and post it to them.

Note we do not send cheques for amounts under £10. If there is less than that, we leave it in the account until there is £10 or more. At that point, we will send a cheque to the Account Holder. We will not keep dividends of more than £10 uninvested or awaiting your instructions.

Payment of charges

We deduct transaction charges, including all third party, dealing and administration charges,

from the account as soon as the transaction is processed. We apply annual management charges to the account as follows:

Fixed annual management charge
5 April and 5 October

Variable annual management charge
30 June and 31 December

Variable annual management charge (Stakeholder CTF only)
31 December

If the account is closed partway through a period, we apply charges at the time the account is closed.

We collect plan charges first from uninvested cash in the account. If there is not enough cash, we sell shares of the Investment Trust with the highest number of shares, or you can instruct us to collect the annual management charge by Direct Debit.

You can complete a Pay Account Charges Using a Direct Debit Form by downloading it from fandc.co.uk or asking our Investor Services team to post the form to you. When you use direct debit to pay the charges, we allow 10 days to ensure your Bank has not rejected the payment. If your bank rejects a direct debit payment, we collect unpaid charges first from uninvested cash in the account and then by selling shares of the Investment Trust with the highest number of shares. (Note that the shares we sell may not be the shares with the highest value)

When an account is closed, we collect any pro rata annual management charge from the account first from any uninvested cash in the account and then by selling shares. We do not collect any pro rata annual management charge by Direct Debit.

Client assets and client money

We hold client money we receive or hold for client accounts in a client money bank account at a bank we select. The client money bank account includes monies from multiple Account Holders. This bank account is separate from our own monies.

We pay no interest on cash balances held in accounts. We use interest earned on the client money bank account to offset costs of administering the plans. When cash is held in a pooled bank account with a third party, if the third party defaults, all Account Holders have an equal claim on the cash in the account and would share pro rata the proceeds from the pooled bank account.

In order to protect your interests, shares we hold for you are held by an independent sub-custodian separately from our assets and from our non-Savings Plan clients' assets. The shares are registered in the name of the sub-custodian's nominee so it is clear they do not belong to the sub-custodian and share certificates are held as we may direct. Beneficial ownership of the shares remains with the Account Holder. We do not lend shares to third parties or use them as security for loans. Shares of a number of Account Holders are registered collectively and may not be separately identifiable. However, we will keep a separate record of your individual entitlement. If we, our delegates, or the sub-custodian fail, any shortfall may be proportionately shared among Account Holders whose shares are registered in this way.

We select the bank that provides the client money bank account and the independent sub-custodian. You agree to us giving our sub-custodian a right to retain any monies and shares held in your account, or to sell or use any of those

shares, in order to pay off any charges or liabilities properly incurred on your account as a result of it providing custody services. The sub-custodian may only use this right if we do not pay any liabilities owing on your account such as service fees.

We may change sub-custodians or banks without notifying you, but will exercise reasonable skill and care when changing either. You can find information about the current bank and sub-custodian in Schedule III. The measures we take to protect your assets and money are in addition to any right you may have to seek compensation under the Financial Sources Compensation Scheme. Please refer to the section "Compensation" below.

Responsibilities of the Account Holder

Investment decisions

You are responsible for all investment decisions and acknowledge that we process all investment instructions on an "execution-only" basis. This means we have carried out an assessment of whether or not our Investment Trusts are complex investments, based on FCA Regulations. As our products are deemed non-complex, we carry out the investment instruction but do not give investment advice or recommend investments to you or consider whether they are appropriate for you. So you do not benefit from the protection of FCA Regulations on suitability and appropriateness. You should read the latest KID for the Investment Trust(s) you select, or the KIID for the F&C FTSE All-Share Tracker Fund Share Class 1 Acc if applicable, before investing. You should also read the latest pre-sales cost disclosures for the plan before setting up an account and investing. You can find the KIDs on our website at fandc.com/literature and the KIID can be found at bmogam.com/KIIDs, or we can provide you a paper copy on request.

You agree to pay, or reimburse to F&C the charges, and expenses set out in the Terms and Conditions or that you otherwise agreed to.

Accuracy of account information

We rely on the accuracy of information you provide. If we reasonably believe instructions are incomplete or unclear, we may, where possible, delay implementing those instructions whilst we seek clarification from you, otherwise we will reject them. To avoid unnecessary delay, please ensure you use our standard forms when giving us investment instructions or changing standing instructions.

US investors

Shares in the Investment Trusts have not been, and will not be, registered under the United States Securities Act 1933, as amended (the US Securities Act) or the securities laws of state or political subdivisions of the United States. As a result, we do not:

- offer or sell shares, directly or indirectly in the United States (including the States and District of Columbia), its territories and possessions, and other areas subject to its jurisdiction.
- offer or sell shares to US Persons,
- accept applications to buy or contribute to shares in any Permitted Investment from a person resident in, or an entity domiciled in, the United States.

Investors must notify us if they move to the United States or otherwise become a US Person. We consider investors who become residents in the United States, or who are treated as residents for US tax or regulatory purposes, to possibly

be US Persons. In that case, we require them to show evidence of residence status. If we believe they are US persons, we may freeze or restrict their account and they may be subject to the withholding and reporting requirements of the US Internal Revenue Service.

For existing JISA and CTF customers who notify us of a change of address to the United States, we will continue to permit cash subscriptions into the plan, however these subscriptions will be held in a designated non-interest bearing Restricted Cash Deposit Account.

Checking

Mistakes can happen. You should always check transaction reports and periodic statements carefully and refer any discrepancies or questions promptly to our Investor Services team. You should report to us any uninstructed changes to account information, or failures to receive expected transaction reports, periodic statements, sale proceeds, or dividend payments within normal deadlines.

If we make a dealing error when implementing an investment instruction and you suffer a loss from market movements, we will only compensate you for such loss for the period ending either:

- when the error is corrected; or
- three months after posting the transaction report, or from the date of the periodic statement that first shows the transaction, whichever is earlier.

This means that your ability to recover losses if we make a mistake may be limited if you do not check your transaction report or periodic statement within this three month period. We are not liable for any other costs or expenses other than the loss from the movement in the market.

Up-to-date information

You must ensure that account information we have on file is up to date, including contact details and changes in the eligibility of an Account Holder. If you fail to ensure we have the current registered address for the account, an unauthorised person could intercept correspondence. We may also suspend your account correspondences.

If account information is out of date, or if we believe the information is not reliable, we may take steps to establish the whereabouts of an Account Holder or Registered Contact. If we do, we may deduct reasonable costs we incur in doing so from the account.

Account closure and transfer options

We do not charge exit fees when closing an account or if we transfer an account. However, we charge dealing and transfer charges, as appropriate, to cover administration costs of processing the request. We deduct a pro rata annual management charge from the account before closing it.

You may close an account (other than a JISA or CTF) at any time by instructing us to sell or transfer all investments in the account. The Regulations require that JISA or CTF accounts be held until maturity, but you may instruct us to transfer these accounts to another plan provider. If you close or transfer an account following notice in writing from us of a material change to these Terms and Conditions as set out below that is disadvantageous to you, we will waive our usual dealing and transfer-out charges provided you notify us before the relevant change takes effect. If a payment is made to your account after it has been closed, we send the payment to you by cheque (or to the new plan provider in the case of transferring an ISA, JISA, or CTF). We typically

mail out cheques for these payments quarterly in March, June, September, and December.

Inactive accounts (N.B. not applicable to a JISA or CTF account)

If there is no activity in an account for more than six years and the account has a cash balance of less than £25, we may transfer the cash to a charity we choose. We will take reasonable steps to find the Account Holder before making such a transfer. If the account contains investments other than cash, after 12 years of no activity on the account, we may transfer the investments to a registered charity.

When there is a shareholder vote and some Account Holders (or as applicable Registered Contacts) do not give us instructions about how to vote, we cast votes on their shares in proportion to the votes cast for shares for which we received voting instructions. This is called "scaling up" of votes. This kind of voting is subject to approval of the relevant Investment Trust and may be subject to minimum voting requirements and maximum holding limits intended to ensure the voting reflects the wishes of Account Holders (or as applicable Registered Contacts). When we send notification about a shareholder resolution that Account Holders (or as applicable Registered Contacts) are entitled to vote on, the notification specifies that they can instruct us not to include their shares in a scale up.

Responsibilities of F&C

We will promptly execute your instructions when accepted and have in place an order execution policy to ensure we take all sufficient steps to get the best possible result when we submit orders for execution. We combine instructions from clients and place them with a broker dealing on the London Stock Exchange on the first available Dealing Day after we accept them. In combining your order with those of other clients it is possible that the effect of aggregation may work to your disadvantage for a particular order but we only combine orders where overall this is unlikely to disadvantage our clients. We meet our regulatory duties by placing the order with the broker who is required to execute the trade at the best price available for the size of the order and the availability of shares in the market and we have in place a programme of pre and post trade monitoring to ensure our duties are met. Further information is available on request about the brokers we choose to provide execution services and we publish details annually of the top five brokers we use by trading volumes and results. This information is available to download from our website at fandc.co.uk.

Information on Permitted Investments

We are regulated under UK data protection law as data controllers and are responsible for the proper processing of any personal information held in connection with your account. We will process information about you in line with our online privacy policy at bmogam.com/privacy. This privacy policy also contains full details about the types of information we collect, what we use this information for, and your related rights.

Use of personal information

We are regulated under UK data protection law as data controllers and are responsible for the proper processing of any personal information held in connection with your account. We will process information about you in line with our online privacy policy at www.bmogam.com/privacy. This privacy policy also contains full details about the types of information we collect, what we use this information for, and your related rights.

We highlight here a few key ways in which we use your information:

- **Anti-fraud and regulatory uses:** We may need to process information about you to comply with our internal policies and applicable laws in relation to the prevention and detection of -money laundering, terrorism, corruption and fraud which may include sharing this information with regulators (such as the Financial Conduct Authority and HM Revenue & Customs), law enforcement agencies, anti-fraud organisations and other organisations for anti-fraud purposes as well as with civil litigants. This processing may include profiling. From time to time we may need to verify the accuracy of our databases and we may do so by checking the information we hold about you from against databases held by certain third parties.
- **Information you provide about others:** We may need you to provide us with information about third parties such as immediate family members and you will need to let them know how we will use their information before providing it to us.
- **Export:** We may use other members of F&C Management Ltd, Bank of Montreal Group, affiliates or third parties to process your information. This may happen outside the UK and the European Economic Area (EEA) where data protection laws may provide less protection than in the UK and the EEA. We detail how we safeguard your personal information when processed in such countries in our privacy policy referenced above.
- **Cookies:** We use cookies and certain forms of tracking technologies. We detail how we use these in our privacy policy referenced above.

Marketing: We would like to provide you with details of financial services and products that we offer which we think you might find interesting. If at any time you would like to opt out of further marketing communications, please let us know by emailing us at Hello@fandc.com.

Liability

We are not liable to an Account Holder:

- if we do not act on the Account Holder's or Registered Contact's instructions for any reason contained in these Terms and Conditions, or
- where we are unable to fulfil our obligations to the Account Holder either because:
 - (i) something happened that was beyond our reasonable control (for example, a problem with the postal system results in us not receiving the instruction, or we receive it too late to act on it), or
 - (ii) we would break the law or not meet regulatory requirements if we complied with the instruction.

As long as we have not acted fraudulently or negligently, we are not liable for any loss or damage suffered by you as a result of directly or indirectly carrying out your instructions. You acknowledge that giving instructions by telephone is not secure and telephone instructions are vulnerable to abuse by unauthorised parties.

We are liable to you for loss caused by our breaching the Terms and Conditions, if the loss is a foreseeable consequence of our breach. A loss is foreseeable if both of us could have contemplated it when we entered into an agreement governed by these Terms and Conditions. We are not responsible for losses that occur as a consequence of us breaching the Terms and Conditions if that consequence was not foreseeable by both of us. An example of this kind of loss is a loss of profit or loss of investment opportunity.

Communicating with us

We are required under FCA Regulations to record our communications with you including telephone calls and e-mails. A copy of these recordings is available to you on request for a period of five years from the date of the relevant recording.

Due to regulatory requirements from 3 January 2018, we regret that we will no longer be able to accept investment instructions that are not submitted using the relevant standard form or our on-line service.

Death of an Account Holder

When an Account Holder dies, the deceased's personal representatives or the surviving Account Holders must notify us as soon as practical. In the case of jointly held accounts, we will re-register the account in the names of the surviving holders when we receive acceptable evidence of the death. When an account is held by a single person and they die, we require evidence of the authority of the deceased's personal representative in order to sell or transfer investment held in the account.

Exercise of shareholder rights

We pass along to Account Holders (or as applicable Registered Contacts) shareholder communications we receive from Investment Trusts. We notify Account Holders (or as applicable Registered Contacts) when we receive interim and annual announcements, annual reports and accounts, and notices of annual general meetings.

We try to forward or notify Account Holders (or as applicable Registered Contacts) promptly about company circulars and offer documents concerning investments held in their account. We make arrangements we consider reasonable to enable Account Holders (or their Registered Contacts) to exercise rights attaching to their shares, such as votes to take up or decline entitlements.

We do not exercise rights on behalf of Account Holders without instructions and we accept no responsibility for failure to act without instructions.

When there is a shareholder vote and some Account Holders (or as applicable Registered Contacts) do not give us instructions about how to vote, we cast votes on their shares in proportion to the votes cast for shares for which we received voting instructions. This is called "scaling up" of votes. This kind of voting is subject to approval of the relevant Investment Trust and may be subject to minimum voting requirements and maximum holding limits intended to ensure the voting reflects the wishes of Account Holders (or as applicable Registered Contacts). When we send notification about a shareholder resolution that Account Holders (or as applicable Registered Contacts) are entitled to vote on, the notification specifies that they can instruct us not to include their shares in a scale up.

Conflicts of interest

We have a conflicts policy in place which is designed to identify, prevent and/or manage conflicts of interest and we take all appropriate steps to limit the risk of damage to your interests. In some instances, the measures we have in place will not be sufficient to mitigate the risks in full. Regulations require us to disclose these situations to you. We draw your attention to the fact we may:

- act in the same transaction as both agent for an Account Holder and counterparty;
- act in the same transaction or series of transactions as agent for more than one client collectively; or

- receive payment for managing or advising an investment trust that is a Permitted Investment

In managing Savings Plans we, and our agents, may receive access to information that is privileged or confidential. If we, or our agents, receive access to such information we do not have a duty to use, or try to use, this information on the Account Holder's behalf.

Further details of our conflicts of interest policy are available on request by writing to us at our address set out in the "Further Information" section of our Key Features Document or on our website at fandc.com.

Research

We will only receive investment research to support our management of the Investment Trusts that we purchase at our own cost.

Rights of the plan manager

This section describes our rights when we act as plan manager.

Sale of investments

We may sell all or part of an Account Holder's investments and use the proceeds to set off any liability the Account Holder has to us for charges and expenses set out in the Terms and Conditions. We may apply a set off to account administration charges, such as transfer out charges, and other charges agreed to by the Account Holder (or if applicable the Registered Contact).

Transactions in shares

We may carry out transactions in the shares of Investment Trusts with, or using, someone we select, including an affiliate. They may be entitled to charge and retain benefits for their services. If we believe it is in an Account Holder's best interest, we may buy or sell shares directly from or to the relevant Investment Trust.

Delegation

We may employ agents in connection with the services we provide and may delegate all or any of our powers or duties to delegate(s) we choose. When delegating powers or duties we have under the Terms and Conditions, we make sure the person we delegate to is competent to carry out those functions.

No exclusivity

Nothing in the Terms and Conditions restricts our right to provide investment services to others.

Force Majeure

If we have acted in accordance with FCA Regulations, we are not liable if any transaction or service related to an account cannot be carried out due to:

- Acts of God
- changes to laws or regulations
- acts of terrorism
- unforeseeable market conditions affecting executing or settling transactions for an account
- strikes or industrial actions
- failure of power supplies or equipment
- any other causes beyond our reasonable control

Alterations and closures

Subject to giving you notice in writing as set out below, we may also amend our agreement with you to comply with changes to the law or FCA Regulations or to respond proportionately to changes in the general law or decisions of the Financial Ombudsman Service.

Other than the changes described above, when we have valid reasons to, we may amend the Terms and Conditions and schedules, including the rates, types of charges, and other amounts chargeable to any Plan. We will give Account Holders at least 28 calendar days' notice of significant changes. For these purposes "valid reasons" are changes:

- from improving or intended to improve efficiency, timeliness, or accuracy of service; security of processing; adoption of new technology; or reliability of communications;
- from or required because of, changes in terms, including costs, or service available from third party providers, or as a result of changing these providers; or
- reflecting legitimate cost increases or reductions associated with our providing services under these Terms and Conditions (for example, as a result of changes in law or regulation)

We limit changes we make for "valid reasons" to changes that:

- we believe are reasonably necessary to provide, or to improve, the services at a reasonable cost

- reflect the nature of the services and the costs and risks we incur to provide the services
- make our agreement with you clearer

Wherever possible we will give you at least 30 days' notice in writing before we make any changes. If you do not accept the changes you have the right to transfer your account to another plan provider or close your account in accordance with these Terms and Conditions. We will waive our usual dealing and transfer-out charges in this situation if the proposed changes are material and disadvantageous to you. If you hold a JISA or CTF account you cannot close the account but may instruct us to transfer to another plan provider.

If we close an F&C Plan, or if an Investment Trust no longer qualifies as a Permitted Investment, we notify affected Account Holders. We include in the notice information about sale, transfer, or switching alternatives. These alternatives will depend on what other providers offer. Each provider has its own terms, conditions, and charges. Account Holders may pay transfer charges under the terms and conditions of the new Savings Plan.

Notices

We send notices to Account Holders (or as applicable the Registered Contact) by first class post to the registered address on the account. The mailing is at the Account Holder's risk and is treated as received two Business Days following the date of posting.

Compensation

We are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if we cannot meet our obligations. Most types of businesses are covered up to £50,000, but the circumstances of the claim may impact the compensation. Further information is available from the Financial Services Compensation Scheme, FSCS PO Box 300, Mitcheldean, GL17 1DY, 0800 678 1100, www.fscs.org.uk.

Solving disagreements and court proceedings

We try to solve any disagreements quickly and efficiently. If you are not happy with the way we deal with any disagreement and you want to take court proceedings, you must do this in the United Kingdom.

Schedule I

A: Permitted Investments

Investment	F&C ISA	PIP	CIP	F&C CTF (Shares)	F&C CTF (Stakeholder)	F&C JISA
European Asset Trust NV (ordinary shares)	✓	✓	✓	✓	X	✓
F&C Capital & Income Investment Trust plc (ordinary shares)	✓	✓	✓	✓	X	✓
F&C Commercial Property Trust (ordinary shares)	✓	✓	✓	✓	X	✓
F&C Global Smaller Companies (ordinary shares)	✓	✓	✓	✓	X	✓
F&C Managed Portfolio Trust (growth shares)	✓	✓	✓	✓	X	✓
F&C Managed Portfolio Trust (income shares)	✓	✓	✓	✓	X	✓
F&C Private Equity Trust (ordinary shares)	✓	✓	✓	✓	X	✓
Foreign & Colonial Investment Trust plc (ordinary shares)	✓	✓	✓	✓	X	✓
F&C UK High Income Trust (ordinary shares)	✓	✓	✓	✓	X	✓
F&C UK High Income Trust (B shares)	✓	✓	✓	✓	X	✓
F&C UK High Income Trust (units)	✓	✓	✓	✓	X	✓
TR Property Investment Trust (ordinary shares)	✓	✓	✓	✓	X	✓
F&C UK Real Estate Investments Limited (ordinary shares)	✓	✓	✓	✓	X	✓
F&C FTSE All-Share Tracker Fund (SC1 accumulation shares)	X	X	X	X	✓	X
ICG Enterprise Trust (ordinary shares)	Existing investors only	Existing investors only	Existing investors only	Existing investors only	X	Existing investors only
UIL Limited (ordinary shares)	Existing investors only	Existing investors only	Existing investors only	X	X	X
UIL Finance Limited ZDP Shs 5.9319p 2018	Existing investors only	Existing investors only	Existing investors only	X	X	X
UIL 2024 ZDP shares	Existing investors only	Existing investors only	Existing investors only	X	X	X

B: Legacy Investments

Investment	F&C ISA	PIP	CIP	F&C CTF (Shares)	F&C CTF (Stakeholder)	F&C JISA
The European Investment Trust (ordinary shares)	✓	✓	✓	✗	✗	✗
Blackrock Latin American Investment Trust (ordinary shares)	✓	✓	✓	✗	✗	✗
Witan Pacific Investment Trust (ordinary shares)	✓	✗	✗	✗	✗	✗
Thames River Hedge+ (ordinary shares £ class)	✓	✓	✓	✓	✗	✗

Schedule II Investment Limits and Charges

Item	F&C ISA	PIP	CIP	F&C CTF (Shares)	F&C CTF (Stakeholder)	F&C JISA
Charges						
Annual Charge	£60+VAT	£40+VAT	£25+VAT	£25+VAT	0.7%	£25 +VAT
Dealing charge	0.20%	£12 postal per trust ¹ £8 online per trust ¹	£12 postal per trust ¹ £8 online per trust ¹	Nil	Nil	£12 postal per trust ¹ £8 online per trust ¹
Switch charge (in addition to dealing charges)	Nil ²	Nil ²	Nil ²	2 free per year then £25 per switch thereafter	Nil	Nil ²
ISA/CTF/JISA transfer in	Nil ²	N/A	N/A	Nil	Nil	Nil ²
ISA/CTF/JISA transfer out	£50 +VAT ²	N/A	N/A	Nil	Nil	£50 +VAT ²
ISA/CTF/JISA Void Fee	£100 + VAT ²	N/A	N/A	Nil	Nil	Nil
Stock transfer out to nominee or main register	N/A	£12+VAT per stock	£12+VAT per stock	N/A	N/A	N/A
Investment minimums/maximums						
Minimum initial - postal deals	£500 per trust	£500 per trust	£250 per trust	£100 per trust	£10	£500 per trust
Minimum top-up	£250 per trust	£250 per trust	£100 per trust	£100 per trust	£10	£250 per trust
Minimum DD	£50 per trust	£50 per trust	£25 per trust	£25 per trust	£10	£30 per trust
Minimum withdrawal	£250 per trust	£250 per trust	£100 per trust	£100 per trust (after 18th birthday)	£100 per trust (after 18th birthday)	N/A
Minimum Balance at trust following withdrawal	£500 per trust	£500 per trust	£250 per trust	N/A	N/A	N/A
Annual limit	£20,000 (2018/19 tax year)	No maximum	No maximum	£4,260 (current birthday year)	£4,260 (current birthday year)	£4,260 (2018/19 tax year)

Item	F&C ISA	PIP	CIP	F&C CTF (Shares)	F&C CTF (Stakeholder)	F&C JISA
Account administration						
Contributions by direct debit	Monthly on 1st month or next available Business Day	Monthly on 1st month or next available Business Day	Monthly on 1st month or next available Business Day	Monthly on 1st month or next available Business Day	Monthly on 1st month or next available Business Day	Monthly on 1st month or next available Business Day
Periodic Statement dates	31 March, 30 June, 30 September and 31 December	31 March, 30 June, 30 September and 31 December	31 March, 30 June, 30 September and 31 December	31 March, 30 June, 30 September and 31 December	31 March, 30 June, 30 September and 31 December	31 March, 30 June, 30 September and 31 December
Cash / Deposit account interest rate	Nil	Nil	Nil	1% below Bank of England Base Rate (CTF Deposit account only) ⁴	Nil	Nil
Restricted Cash Deposit Account (non-interest bearing)	N/A	N/A	N/A	N/A	N/A	N/A
Income payment frequency						
Dividend paid by Cheque ³	Monthly on 23rd of month	Monthly on 23rd of month	Monthly on 23rd of month	N/A	N/A	N/A
Dividend paid direct to bank/building society	Within 4 business days of receipt into account	Within 4 business days of receipt into account	Within 4 business days of receipt into account	N/A	N/A	N/A

All charges may be altered in accordance with the terms and conditions

Note 1: These charges apply for lump sum payments but no dealing charges are applied for payments made by regular, monthly direct debit.

Note 2: Dealing charges still apply (at postal rate, where applicable)

Note 3: £10 minimum payment applies

Note 4: 0% floor applies

Note 5: In addition to the above charges, there are operating costs associated with running an Investment Trust that affect the overall return from your investments, for example, the management fee paid to the investment manager or its associates, auditors' fees, directors' remuneration, transaction and promotional costs. The Investment Trust bears these costs, which are detailed in the KIDs for each individual Investment Trust in addition to the pre-sales cost and charges disclosure – these are published on our website at fandc.com/literature.

Schedule III Directory

Plan Manager F&C Management Limited

also Approved ISA manager F&C Management Limited

Approved CTF manager F&C Management Limited

Administrator: DST Financial Services International Ltd and DST Financial Services Europe Ltd

Custodian: State Street Bank and Trust Company

Bank: HSBC Bank plc

SEDOL	Trust	Broker dealing	New money permitted Y/N
BD0BSY3	European Asset Trust NV (ordinary shares)	Cenkos	Y
0346328	F&C Capital & Income Investment Trust plc (ordinary shares)	Cenkos	Y
B4ZPCJ0	F&C Commercial Property Trust (ordinary shares)	Winterflood	Y
0017505	F&C Global Smaller Companies (ordinary shares)	Stifel Nicolaus Europe Limited	Y
B2PP252	F&C Managed Portfolio Trust (growth shares)	Winterflood	Y
B2PP3J3	F&C Managed Portfolio Trust (income shares)	Winterflood	Y
3073827	F&C Private Equity Trust (ordinary shares)	Winterflood	Y
0346607	Foreign & Colonial Investment Trust plc (ordinary shares)	JP Morgan Cazenove	Y
B1N4G29	F&C UK High Income Trust (ordinary shares)	Cenkos	Y
B1N4H59	F&C UK High Income Trust (B shares)	Cenkos	Y
B1N4H93	F&C UK High Income Trust (units)	Cenkos	Y
0906409	TR Property Investment Trust PLC ordinary 25p	Cenkos	Y
B012T52	F&C UK Real Estate Investments Limited (ordinary shares)	Cenkos	Y
3313802	F&C FTSE All-Share Tracker Fund (SC1 accumulation shares)	DST	Y
0329501	The European Investment Trust	Winterflood	N
0365602	Witan Pacific Inv Tst ordinary 25p	Winterflood	N
0505840	Blackrock Latin American Inv Trust	Winterflood	N
0329200	ICG Enterprise Trust (ordinary shares)	Numis Securities Limited	Y (existing investors only)
BZ4BVN3	UIL Limited (ordinary shares)	Winterflood	Y (existing investors only)
BZ4BVP5	UIL Finance Limited ZDP Shs 5.9319p 2018	Winterflood	N
BDZTX7	UIL Finance Limited 2024 ZDP Shs 3.8025p	Winterflood	Y (existing investors only)
0133508	British Empire Trust PLC	Winterflood	N

F&C Child Trust Fund terms and conditions

These terms and conditions apply in addition to the general terms and conditions.

F&C Child Trust Funds are Investment Trust Savings Plans entitled to the tax benefits available to Child Trust Funds. F&C Child Trust Funds (F&C CTFs) are subject to the CTF Regulations. F&C provides stocks and shares CTFs with a Shares CTF or a Stakeholder CTF option.

Eligibility

Any Child born on or after 1 September 2002 and before 3 January 2011 and issued with a government CTF voucher was eligible for a CTF. As government CTF vouchers have not been issued since 2011, it is now only possible to transfer an existing CTF held with another plan manager to F&C. Only the Registered Contact may give instructions on the account.

Only one CTF may be held by a child at one time, either a shares CTF or a stakeholder CTF. A Child is not permitted to have both a CTF and a Junior ISA.

Child

The Child is named on the application form. The Child is the beneficial owner of the CTF.

Registered Contact

The person who completed the application form with parental responsibility for the Child. The first Registered Contact may be replaced by another person with parental responsibility for the Child subject to the provision of satisfactory documentation to F&C. Where a child for whom the CTF account has been set up is under 16 years of age, postal instructions received from the Registered Contact to update their address will result in the address details for both the Registered Contact and the Child being updated unless we are advised otherwise.

The Child may elect to become the Registered Contact on its 16th birthday and replaces any other existing Registered Contact. Existing investment instructions will continue unless replaced. Instructions from the Child will only be implemented when F&C has received satisfactory confirmation of the Child's identity.

Making an application

It is no longer possible to open a new CTF with a Government CTF voucher (these stopped being issued in 2011) but it is possible to transfer an existing CTF to an F&C CTF account.

Applications to transfer a CTF from another plan manager will be subject to a 14 day cooling off period.

Annual subscription

The maximum that may be subscribed to a CTF in one tax year is set by the CTF Regulations. Changes to the limit are announced by HM Revenue & Customs. The current annual limit is shown in Schedule II. The subscription year runs from the date of the Child's birthday in one year until the day before the date of the Child's birthday in the next year. Subscriptions must be received by F&C within the birthday year to count towards that year's annual allowance. Subscriptions in excess of the annual limit will be returned.

Any person may subscribe to the account on behalf of the Child. Subscriptions to the account

are gifts to the Child and cannot be returned to a donor or withdrawn from the CTF before the Child's 18th birthday. Once the Child has reached 18 years of age funds may be withdrawn from the account by the Child and will be sent by post to the registered address at the Child's risk by a cheque drawn on a UK bank account in sterling payable to the Child.

F&C Shares Account

Permitted investments within the F&C Shares CTF comprise shares and associated investments of the investment trusts listed in Schedule I. In the absence of an investment instruction from the Registered Contact new subscriptions will be invested in the Default Fund.

The Default Fund is the investment trust in which the CTF voucher was invested or the investment trust subsequently selected by the Registered Contact for the investment of subscriptions (other than online subscriptions received without specific instructions). In the event that no valid default investment option is available subscriptions, other than online subscriptions without a specific investment instruction, will be held in the Deposit Account. Investment limits and charges for the F&C CTF Shares Account are set out in Schedule II.

F&C Stakeholder CTF

Only shares of the F&C FTSE All-Share Tracker Fund may be held in the F&C Stakeholder CTF. The deposit account is not available as an investment option for new subscriptions. New subscriptions will be used to purchase shares in the F&C FTSE All-Share Tracker Fund.

Investment limits and charges for the F&C CTF Stakeholder Account are set out in Schedule II. The total annual management charge is capped at 1.5% (including the Total Expense Ratio for the F&C FTSE All-Share Tracker Fund Share Class 1 Accumulation Shares).

Deposit Account

The Deposit Account is not available as an investment selection for new subscriptions and can only accept the proceeds from the sale of investments held in an F&C CTF.

Lifestyling has been removed as a key feature of the product. The Deposit Account is a client money bank account. Interest is paid on balances in the Deposit Account at the annual rate of Base Rate less 1%. Consequently when Base Rate is 1% or less no interest will be credited to the F&C CTF accounts investing in the Deposit Account.

CTF transfers to an F&C JISA

The Registered Contact may apply to transfer a CTF from one CTF Plan Manager to either (1) another CTF Plan Manager or (2) to a JISA Plan Manager. A child cannot have both a CTF and a JISA set up in their name. Registered Contacts wishing to transfer a CTF to the F&C CTF or the F&C JISA should complete the relevant F&C transfer application form. On receipt, F&C will arrange the transfer from the current CTF Plan Manager.

To transfer the F&C CTF from the Share CTF option to the Stakeholder CTF option or visa-versa, or to transfer the F&C CTF to an F&C JISA, the Registered Contact must complete the 'Transferring from an F&C Child Trust Fund to the F&C Junior ISA' form. In either case, the

Registered Contact should contact the new Plan Manager to obtain the transfer application form. The new Plan Manager will then contact F&C to arrange the transfer.

Transfers must meet the minimum balance requirements of the product being transferred into and the entire CTF must be transferred. F&C will only action transfers to the F&C CTF after the required 14 day cooling-off period. F&C will undertake the transfer as soon as reasonably possible, but in any event not more than 30 days following receipt of the instruction. In the case of the F&C CTF this will be no more than 30 days following the end of the cooling-off period.

Transfers from an F&C CTF to another Plan Manager's CTF or JISA can be made in cash or, in the case of a Shares CTF account only, in stock. F&C will sell any investments in the account (if transferring in cash) and will pay or transfer, as relevant, proceeds or stock less any outstanding liabilities to the new CTF or JISA Plan Manager in accordance with the instructions on the transfer application form.

If for any reason a transfer from a CTF to a JISA is unsuccessful any provisional JISA that has been opened will be invalid and F&C will return any subscriptions to such provisional JISA. The CTF will remain intact.

F&C will not charge for transfers from a CTF to a JISA.

Plan closure

The CTF may not be closed nor may any money or investments be withdrawn from the CTF before the Child's 18th birthday except in the following circumstances:

- the death of the Child
- confirmation from HM Revenue & Customs that the Child is terminally ill

The tax benefits of the CTF end on the Child's death. The CTF remains invested until we receive instructions from the Child's personal representative(s). Before accepting instructions from them, we may require evidence of the personal representative(s) identity and authority to act.

Voiding or changing an F&C CTF for breach of the CTF Regulations

We will close an F&C CTF if we are directed to by HM Revenue & Customs because of

- an invalid application
- if the Registered Contact has already subscribed to another JISA or CTF for the same child

If HM Revenue & Customs treats all, or part of, an F&C CTF as void, we will notify the Registered Contact. Any part that is void is not qualified for tax relief. We will then sell the affected investments and pay the proceeds to the Registered Contact, less deductions necessary to satisfy the child's tax liabilities that we may be accountable for, including any payment in respect of the CTF voucher, as well as any amount due to us under the Terms and Conditions.

Payment of charges, expenses, and taxes

To pay taxes or to cover charges, or expenses payable for an F&C CTF, we may sell investments in the account or use cash from the account.

We may do this without notifying the Registered Contact. If liabilities remain unsatisfied after we have taken this action, the Registered Contact must pay the shortfall. If the Registered Contact does not reimburse us promptly, they will be liable for any loss, damage, or cost we might incur.

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F&C Management Limited

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