

Terms of Business for Authorised Intermediaries



1. Definitions

Throughout these Terms of Business the following terms have the undernoted meanings:

ACD or Authorised Corporate Director – BG & Co Ltd, the company which is responsible for the management and administration of the OEICs and which has outsourced these functions, principally to Baillie Gifford;

the Act – the Financial Services and Markets Act 2000;

Annual Report – the annual financial statements prepared for the OEIC sub-fund;

Baillie Gifford – Baillie Gifford & Co, a partnership formed under Scottish law and included on the Financial Services Register under number 142597 and having its principal office at Calton Square, 1 Greenside Row, Edinburgh, EH1 3AN, which owns BG & Co Ltd;

BG & Co Ltd – Baillie Gifford & Co Limited, a company included on the Financial Services Register under number 119179 and having its registered office at Calton Square, 1 Greenside Row, Edinburgh, EH1 3AN;

Both entities are authorised and regulated by the Financial Conduct Authority;

business day – any day (excluding Saturdays, Sundays and public holidays) on which banks are open to conduct normal banking business in London;

Cancellation Notice – a notice issued by us in accordance with the Cancellation Rules;

Cancellation Rights – the rights (if any) to cancel arising under the Cancellation Rules;

Cancellation Rules – the provisions of Chapter 15 ('Cancellation') of the Conduct of Business Sourcebook ('COBS') contained within the FCA Handbook;

client – an applicant for, or holder of, shares in one or more of our OEIC sub-funds. Where you are acting as agent for a private individual, for whom shares are to be registered in their own name, we shall afford them the protection of a Retail Client. You will be classified as a Professional Client;

COLL – the FCA's Collective Investment Schemes Sourcebook contained within the FCA Handbook;

Eligible Counterparty – shall have the meaning provided in the FCA Rules;

Form of Renunciation – a form issued by us for completion upon the redemption of shares;

FCA – the Financial Conduct Authority and any organisation which may replace the Financial Conduct Authority or take over the conduct of its affairs;

FCA Handbook – the Handbook of Rules and guidance published by the FCA as amended, extended, modified or replaced from time to time and references to individual Sourcebooks within the Handbook shall be construed accordingly;

FCA Rules – the rules and regulations of the FCA as from time to time amended, extended, modified or replaced and the regulatory system (as defined in the FCA Handbook);

Guidance – shall have the meaning set out in clause 4.5;

Key Investor Information Document – the document containing key information for investors on the essential elements of an OEIC sub-fund which is a UCITS scheme;

Money Laundering Regulations – shall have the meaning set out in clause 4.5;

NURS – a non-UCITS retail scheme – an authorised fund which is neither a UCITS scheme or a qualified investor scheme;

NURS Key Investor Information Document – the document containing key information for investors on the essential elements of a NURS;

OEIC(s) – open-ended investment company(ies) managed by BG & Co Ltd;

Prospectus – the document providing details on each OEIC and its respective sub-funds, published in accordance with COLL;

Professional Client – shall have the meaning provided in the FCA Rules;

Retail Client – shall have the meaning provided in the FCA Rules;

Supplementary Information Document – the marketing document containing additional information to the Key Investor Information Document and the NURS Key Investor Information Document in respect of each OEIC and its respective sub-funds;

Terms of Business – the terms under which we will transact business with you, as detailed in this document;

UCITS scheme – a fund authorised by the FCA in accordance with the UCITS Directive and the Collective Investment Schemes (Amendment) (EU Exit) Regulations 2018 (UCITS SI), or an umbrella fund, each of whose sub-funds would be a UCITS scheme if each fund had separate authorisation;

We/us – BG & Co Ltd; and

you – the intermediary, authorised to conduct regulated activities under the Act.

References in these Terms of Business to any statute or statutory instrument shall be construed as including references to any modification, consolidation or re-enactment of that statute or statutory instrument (whether before or after the date of issue of these Terms of Business) for the time being in force and all subordinate legislation made pursuant to the relevant statute and shall also include any statute or statutory instrument of which it is a modification, consolidation or re-enactment.

References in these Terms of Business to the Guidance shall be construed as including references to any modification, consolidation or update of the Guidance (whether before or after the date of issue of these Terms of Business) for the time being in issue.

Words and expressions used in these Terms of Business which are defined in the FCA Handbook or the Act shall (unless specifically defined herein or unless the context otherwise requires) bear the meaning given by the FCA Handbook or the Act, as appropriate.

Headings are for convenience only and shall not affect the interpretation of these Terms of Business.

Words in the singular shall include the plural and vice versa.

2. Introduction

- 2.1 This document sets out the terms and conditions under which BG & Co Ltd will accept your business. BG & Co Ltd is the Authorised Corporate Director of our OEICs.
- 2.2 To the extent of OEIC business only, these Terms of Business supersede any previous Terms of Business for Authorised Intermediaries you may already have with us without prejudice to any accrued rights or liabilities thereunder.
- 2.3 We reserve the right to vary these Terms of Business as long as there is no conflict with the Act or the rules and regulations of any relevant regulator. Except where required by law or regulation, variation will not be retrospective. We may vary the Terms of Business without giving prior notice if such variation is necessary to comply with law or regulation. The variation will come into effect immediately. We will write to you and explain why any such variations have been made. In other circumstances, we will give at least 30 days' written notice prior to any change.
- 2.4 The Key Investor Information Documents, NURS Key Investor Information Documents, Supplementary Information Documents, Prospectuses and Reports and Accounts can be obtained by telephoning our Client Relations Team on 0800 917 4752. These documents can also be downloaded from our website www.baillieghifford.com/intermediaries

3. What you need to do next

- 3.1 Please read this document, complete the enclosed Terms of Business Acceptance Form including the bank details (a copy is provided for your records), and return it to us in the freepost envelope provided.
- 3.2 If you do not complete and return the enclosed Terms of Business Acceptance Form, and, subsequent to our despatch of this document to you, you transact business with us, then you will be deemed to have accepted these Terms of Business.

4. Terms of Business – General

- 4.1 If you act as principal for a purchase or sale, you will inform us when the deal is placed.
- 4.2 We have a duty to classify our clients and notify them of that classification. By accepting these Terms of Business you agree that you will be classified as a Professional Client, and that this is our notification to you of such classification.

You can request re-classification as either an Eligible Counterparty, or a Retail Client, however, we are not obliged to re-classify you.
- 4.3 Subject to clause 4.1, you are your client's agent except in relation to your personal responsibilities under these Terms of Business. We will not accept business from you if you are not, or cease to be, authorised under the Act or equivalent legislation in your own country. You will notify us immediately if your authorisation is suspended or terminated.
- 4.4 We reserve the right to refuse to accept business from you. We also reserve the right to terminate our relationship with you under these Terms of Business (after giving 30 days' notice) at any time. Termination will be without prejudice to the completion of transactions already initiated which will be completed expeditiously by both you and us. Termination of these Terms of Business shall be without prejudice to any rights or liabilities accrued to either you or us up to and including the effective date of termination. Termination shall further be without prejudice to indemnities or any contractual provision expressly provided to survive termination and will be without penalty or other additional payment.
- 4.5 By agreeing to these Terms of Business, you acknowledge that any transactions entered into will be subject to the following: the Criminal Justice Act 1993, the Terrorism Act 2000, the Anti-terrorism, Crime and Security Act 2001, the Proceeds of Crime Act 2002, the Money Laundering Regulations 2017, the Senior Management Arrangements, Systems and Controls Sourcebook (SYSC) contained within the FCA Handbook, the Guidance for the UK Financial Sector on the prevention of money laundering/combating terrorist financing issued by the Joint Money Laundering Steering Group (the 'Guidance') and any other legislation, rules or guidance relevant to the prevention of crime, fraud or money laundering; all hereafter referred to as the 'Money Laundering Regulations'.
- 4.6 We may rely on you to apply the identification and customer due diligence requirements set out in the Money Laundering Regulations to your client and any other relevant person consistent with the requirements of the Money Laundering Regulations and you agree that we may place such reliance on you.

- 4.7 By agreeing to these Terms of Business, you acknowledge that in order to fulfil our legal obligations under applicable tax law and regulation, we may be required to collect and report information about your client's identity, tax residency and status. Where requested to do so, you undertake to supply us with any relevant information or documentation relating to your client, to the extent that such information or documentation is held by you. This may include requiring you to produce a self certification form including details of your client's tax reference number. We reserve the right to refuse applications for, or applications to transfer shares until we receive satisfactory tax information and documentation.
- In the event that such information or documentation is not received, we reserve the right to contact your client or other relevant person to obtain the information and/or documentation.
- In certain circumstances, we may be required to report your client's details (including their name and address) together with details of their investments to HM Revenue & Customs. Such information may be passed by HM Revenue & Customs to tax authorities in other jurisdictions.
- 4.8 We are obliged to send certain documents direct to the address on the share register (e.g. annual and interim reports and accounts or half-yearly statements.)
- 4.9 Any communication we send to you for completion by your client (or for their information) should be forwarded without amendment.
- 4.10 You indemnify us against any loss resulting from your failure to comply with the provisions of the Act or the FCA Rules, in addition to indemnifying us against any breach by you of any of these terms. The provisions of this clause 4.11 shall survive termination of these Terms of Business.
- 4.11 Any letter or document will be deemed to have been duly served on you, if it is sent by post to (or left at) your address as it appears on our database. That address is replicated in the letter accompanying these Terms of Business. You will notify us in writing if that address changes. You may contact us at any time to confirm your address details on our database.
- 4.12 It is your responsibility to disclose, in cash terms, the value of any fee or non-monetary benefit paid or provided to you in relation to any transaction for your client.
- 4.13 Neither Baillie Gifford nor BG & Co Ltd provide investment advice to individuals. Where appropriate, it is your responsibility to provide advice, including a suitability and appropriateness assessment, to your clients.
- 4.14 Client Money – any cash held in a client money account will not earn interest.
- 5. Specific Terms applying to our OEICs**
- 5.1 All deals in our OEIC sub-funds are on a forward pricing basis.
- 5.2 To enable you to comply with your regulatory body's requirements, we will make available on our website, and if requested provide a paper copy of, the Key Investor Information Documents and Supplementary Information Documents for each of our OEIC sub-funds. You have an obligation to ensure a copy of the relevant Key Investor Information Document is provided to your client, before placing the client's deal with us. Where we have afforded your client the protection of a Retail Client (see definition of client), we shall forward to them a copy of the contract note but it is your responsibility to forward the Supplementary Information Document timeously and, if requested by your client, the Form of Renunciation.
- 5.3 We will also make available on our website, and if requested provide a paper copy of, the following documents for our NURS OEIC sub-fund: Key Investor Information Documents; Supplementary Information Document; Prospectus and Annual Long Report. You have an obligation to ensure relevant copies of each of these documents are provided to your client, before placing the client's deal with us. Where we have afforded your client the protection of a Retail Client (see definition of client), we shall forward to them a copy of the contract note, but it is your responsibility to forward, if requested by your client, the Form of Renunciation.
- 5.4 BG & Co Ltd requires that settlement for purchases be made within three business days of the transaction date. We reserve the right to cancel any contract where payment is overdue. The provisions of this clause 5.4 shall survive termination of these Terms of Business.
- 5.5 You indemnify us from any loss incurred as a direct result of a late payment, including any loss resulting from a cancellation or any other loss caused to us by your failure to comply with clause 5.4 above. However, this clause 5.5 will not apply if:
- the delay was a result of the late settlement of a repurchase of shares that were sold as part of a switch from one of our funds to another; or
 - the delay did not result from any failure on your or your client's part to comply with our established dealing procedures.
- The provisions of this clause 5.5 shall survive termination of these Terms of Business.
- 5.6 When placing OEIC business you must state if the deal is non-advised. Failure to specifically state this means that BG & Co Ltd will treat the deal as advised business.
- If your business is a mixture of advised and non-advised then you are also required to notify us and we will set up separate agency codes and shareholder accounts to distinguish between such business.

You must also advise us;

- if Cancellation Rights apply to the transaction;
- if you have a customer agreement with your client that complies with the FCA Rules; and
- whether you have had face-to-face contact with your client or whether your relationship with your client is such that it would be a distance contract under either The Financial Services (Distance Marketing) Regulations 2004 or the FCA Rules.

5.7 Cancellation Notices will be sent direct to your client on your request. We share a responsibility to send out Cancellation Notices when necessary and, therefore, we will always ask you your client's status and inform you immediately if your client cancels. If, at the time of cancellation, there has been any depreciation in the value of your client's initial investment, they will not receive the amount originally invested. Please refer to the Supplementary Information Document for details of Cancellation Rights which may apply.

5.8 Subject always to compliance with the Money Laundering Regulations, BG & Co Ltd issues payment for repurchases within three business days of receiving properly completed documentation, such as a Form of Renunciation.

5.9 Where you are authorised to hold client money and unless you or your client instruct us otherwise, payment will be made to your nominated bank account. Alternatively a cheque drawn "account payee" may be issued in favour of your client account.

Where you are not authorised to hold client money, payment may be made to your client's bank account. Alternatively a settlement cheque may be issued drawn "account payee" in favour of all named holders. Settlement cheques will be sent to you unless we are instructed otherwise.

All settlement payments are made subject to compliance with the Money Laundering Regulations.

6. Remedies

The rights and remedies provided under these Terms of Business are in addition to, and not exclusive of, any rights or remedies provided by law or regulation.

7. No Partnership or Agency

Nothing in these Terms of Business is intended to, or shall be deemed to, establish any partnership or joint venture between the parties, constitute either party the agent of the other party, nor authorise either party to make or enter into any commitments for or on behalf of the other party.

8. Confidentiality

8.1 Each party undertakes that it shall not at any time disclose to any person any confidential information concerning the business affairs, customers, clients or suppliers of the other party, except as permitted by clause 8.2.

8.2 Each party may disclose the other party's confidential information:-

- a) to its partners, directors, employees, officers, representatives, agents, delegates, sub-contractors or advisers who need to know such information for the purposes of carrying out the party's obligations under these Terms of Business. Each party shall use all reasonable endeavours to ensure that its partners, directors, employees, officers, representatives, agents, delegates, subcontractors or advisers to whom it discloses the other party's confidential information comply with this clause 8; and
- b) as may be required by law, court order or any governmental or regulatory authority.

8.3 No party shall use any other party's confidential information for any purpose other than to perform its obligations under these Terms of Business.

9. Conflicts of Interest

BG & Co Ltd has a duty to act honestly, fairly and professionally in accordance with the best interests of all clients and to treat them fairly when providing investment services; in consequence, we will take reasonable steps to identify conflicts of interest between BG & Co Ltd and you, and where identifiable, BG & Co Ltd will manage them by organisational and administrative arrangements, and where appropriate, by means of disclosure.

10. Order Execution Policy

This disclosure statement sets out our business practices concerning the execution of orders on your behalf.

For OEICs, the price at which any order will be executed will be determined by the net asset value per share at the appropriate valuation point, adjusted by the relevant dilution adjustment. Details of other permitted charges are contained in the Prospectuses. We deal only at forward prices therefore all transactions will be carried out at the first price calculated following receipt of the relevant instructions.

For further details of how we will accept orders, please refer to the Supplementary Information Document.

11. Telephone Recording

Your call may be recorded for training or monitoring purposes.

12. Entire Agreement

These Terms of Business constitute the entire agreement and understanding between the parties with respect to its subject matter and supersede all prior negotiations, proposals, statements of intent, understandings and agreements relating to such subject matter, provided that nothing in these Terms of Business shall be construed as excluding, or as seeking to exclude, the liability of any party for fraud.

13. Governing Law

These Terms of Business are governed by and are to be construed in accordance with the law of Scotland and the parties hereto hereby submit to the exclusive jurisdiction of the Scottish courts.

The information contained in this document is correct as at 28 August 2020.

Now please complete and return the Acceptance Form on page 7.

A copy of the Acceptance is included on page 6 for your records.

Issued by:

**Baillie Gifford & Co Limited, Calton Square, 1 Greenside Row, Edinburgh EH1 3AN
Telephone: 0131 275 2000 Fax: 0131 275 3970 Company number: 069524
Authorised and regulated by the Financial Conduct Authority.**

Copy of Terms of Business Acceptance Form

BAILLIE GIFFORD & CO LIMITED



TERMS OF BUSINESS ACCEPTANCE FORM

Agency Number (if known)

Company Name

Company Address

Postcode

Authorising Body

Telephone Number

Registration Number VAT Registration Number

If a member of a network, please specify which one:

Permitted to hold client money? Yes No

I have read and understood the Terms of Business for Authorised Intermediaries (Ref: 23970 INT FM 0002) and hereby agree to be bound by them when conducting business with Baillie Gifford & Co Limited.

Signature

Print Name Date



TERMS OF BUSINESS ACCEPTANCE FORM

Agency Number (if known)

Company Name

Company Address

Postcode

Authorising Body

Telephone Number

Registration Number VAT Registration Number

If a member of a network, please specify which one:

Permitted to hold client money? Yes No

I have read and understood the Terms of Business for Authorised Intermediaries (Ref: 23970 INT FM 0002) and hereby agree to be bound by them when conducting business with Baillie Gifford & Co Limited.

Signature

Print Name Date

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