

The James Brearley Investment Management Service Structured Products Portfolio



A Century of Experience

THE JAMES BREARLEY INVESTMENT MANAGEMENT SERVICE STRUCTURED PRODUCTS PORTFOLIO

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THE JAMES BREARLEY INVESTMENT MANAGEMENT SERVICE STRUCTURED PRODUCTS PORTFOLIO

The James Brearley Investment Management Service Structured Products Portfolio strategy has been designed for investors wishing to invest in a portfolio of Structured Products. The service is operated under a discretionary mandate, which means that we can make changes to your portfolio, be it in the selling or buying of products, without obtaining your prior consent. When managing your portfolio, we will not account for any capital gains implications and accept no responsibility for any resulting tax liabilities. It should be pointed out, that the Structured Products Portfolio Strategy can be applied to an ISA, or SIPP, both of which are currently exempt from capital gains tax.

The James Brearley Investment Management Service Structured Products Portfolio strategy covers two possible investment options, detailed below:

- 1. Income Portfolio:** the Income Portfolio will concentrate, in the main, on Structured Products, that have been constructed in such a way that their returns will be in the form of regular income receipts. As such, investors electing for this portfolio are not likely to see any marked uplift in the capital value of their portfolio over the medium to long-term, unless they choose not to receive this income-stream, under which circumstances it will be re-invested. The targeted annual income of the portfolio is 3% above the prevailing Bank of England base rate, after accounting for our annual management fee of 0.75% plus VAT.
- 2. Growth Portfolio:** the Growth Portfolio will concentrate, in the main, on Structured Products that have been constructed in such a way that their form of return will be capital growth. This said, we may decide from time to time to invest in income generating products, with the intention of re-investing their income stream. The targeted average annual capital return is around 6% per annum, after accounting for our annual management fee of 0.75% plus VAT.

The suitability of each of the models for different investors is outlined in more detail in the Model Portfolios section on page 7.

The targeted returns detailed above are not a reliable indicator of future returns which cannot be guaranteed and are purely forecasts based on normal market conditions.

Investment performance cannot be guaranteed.



Whilst we deem Structured Products to be lower risk investments, given that the Underlying Asset needs to fall substantially before capital is at risk and assuming the Issuer does not fall on difficult financial times, you should still view the Service as a medium-term to long-term investment. By this we mean a 5-to-10-year period. In seeking to diversify the risks associated with any form of stock market related investment, we intend to utilise a variety of different Structured Product types, focused on different stock market indices (Underlying Assets), and issued by a broad range of different financial institutions (Issuers). We outline in greater detail on page 6, how we try and manage these risks, which all forms part of our ongoing Investment Management Process, as explained on page 9.

To improve the efficiency of our management of your portfolio, it will be held within the James Brearley Nominee Service. As such, your individual Investments will be registered into one of our nominee companies, although at all times you will remain the beneficial owner of the Products. The benefits of our Nominee Service, and the protections afforded to retail clients utilising this, are outlined in greater detail in the Service Terms & Conditions document.

Once your Application Form has been processed and your investment account established, we will invest your monies as we feel appropriate and where requested providing you with a confirmation note for each transaction we undertake on your behalf. These will be made available to you via our Web Portal, for which we will provide you with personal access details. Thereafter, we will provide you with a calendar quarter-end valuation, in which we will report on the performance of your portfolio and, on an annual basis, a consolidated tax certificate and capital gains report where appropriate.



YOUR GUIDE TO STRUCTURED PRODUCTS



As outlined earlier, our Investment Management Team will create and maintain a portfolio of different Structured Products with the aim of achieving the respective return objectives of the Income and Growth models. Each Product is specifically designed to provide a form of return, be it income or capital, or a mixture of the two.

Each Product is definitive in nature and reliant on the performance of the stock market index (or indices), or basket of shares, collectively referred to as the Underlying Asset. Structured Products typically have a maximum life of between 5-10 years.

The qualification dates to achieve their definitive returns are also detailed in the terms of the Product being referred to as the Observation Dates. These tend to be either “daily”, “quarterly”, “half-yearly” or “annually” in nature, typically based around the Product’s starting date.

A Product’s Maturity Date is typically the final Observation Date and, the standing of the Underlying Asset at the market’s close, will determine what capital is repaid to the Product’s investors, along with any other additional returns they may qualify for at this point in time.

Most Structured Products are issued by large investment banks. The Products we will consider for the Service will typically be listed on a major stock exchange. As such, it should be possible for us to buy and sell them throughout the term of the Product. Whilst we would typically expect to hold a Product for its full term, which could be between 5-10 years, we may choose to sell one Product and re-invest into another, if we determine that this will lead to better returns for investors.

There are three broad types of Structured Product with the following key characteristics:

1. **Fixed Capital Return:** the capital payout is fixed in nature and normally reliant on the Underlying Asset meeting a minimum condition for investors to qualify for this.
2. **Fixed Income Return:** the income payout is fixed in nature normally reliant on the Underlying Asset meeting a minimum condition for investors to qualify for this.
3. **Growth:** the capital payout is variable in nature, being determined typically by the performance of the Underlying Asset.

WHAT WE COULD HOLD IN THE STRUCTURED PRODUCT PORTFOLIO

To assist in your understanding of the workings of each broad type of Structured Product we provide an example of each based on Products held in the Service in December 2023. In each instance we have assumed that the Issuer will be able to meet its financial obligations in full, see the Risks section on page 6 for further information.

Fixed Capital Return (Growth Model):

Issuer: Credit Agricole
Underlying Asset: FTSE 100 Index
Observation Date: Annually from 3rd June 2024 onwards
Return: 11.15% per annum
Term: 5 years
Maturity Date: 2nd June 2028
Index Starting Level: 7607.28

This Product has been created to provide a fixed level of capital return, which is paid out and the Product redeemed early, if the FTSE 100 Index is above the Starting Level at any of its Observation Dates. Capital is lost on a 1% for 1% basis if the FTSE 100 Index is down by more than 40% at the Maturity Date, which translates to a level lower than 4564.37.

Example of Possible Outcomes during the life of the Product:

The FTSE 100 Index stands above 7607.28 as at 2nd June:

Year:	2024	2025	2026	2027	2028
Return:	111.15p	122.30p	133.45p	144.60p	155.75p

Example of Possible Capital Return Outcomes at the Maturity Date:

FTSE Level	Above 7607.28	Between 4564.37 – 7607.28	4184
FTSE Level Return:	155.75p	100p	55p

Fixed Income Return (Income Model):

Issuer: Morgan Stanley
Underlying Asset: FTSE 100 Index
Observation Date: Quarterly from 31st January 2023
Income Coupon: 2.37% per quarter
Term: 6 years
Maturity Date: 7th February 2029
Index Starting Level: 7771.7

This Product has been created to generate a quarterly income of 2.37% per quarter. Investors qualify for this if the FTSE 100 Index is higher than 6000 and lower than 9000 on each Observation Date. If the index is outside of this range, then no income is payable. Capital is at risk on a 1% for 1% basis if the FTSE 100 Index has fallen by more than 40% at the Maturity Date.

Example of Possible Capital Return Outcomes at the Maturity Date:

Index Levels:	Above 5440.19	4274.44
Return:	100p	55p

Growth (Growth Model):

Issuer: RBC
Underlying Asset: FTSE 100 Index
Observation Date: Maturity Only
 30% if, at maturity, the index closes at or above its initial level.
Term: 4 years
Maturity Date: 15th December 2026
Index Starting Level: 7426

This Product has been created to generate capital growth based on the FTSE 100 Index over a fixed period of time. Capital is at risk on a 1% for 1% basis if the FTSE 100 Index has fallen by more than 40% at the Maturity Date.

Example of Possible Capital Return Outcomes at the Maturity Date:

Index Level:	Above 7995.5	7474	4455.6 - 7426	4269.9	4084.3	3713
Return:	130p	130p	100p	57.5p	55p	50p

KEY RISKS AND HOW THESE ARE MANAGED

As with any form of investment, there are risks associated with investing in Structured Products. The James Brearley Investment Management Structured Product Portfolio strategy attempts to minimize these, as we detail below.

Issuer Risk

If the investment bank responsible for the issuance of a Structured Product (the Issuer) does not have sufficient financial resources to meet its obligations to pay the income, capital returns or repayment of a Product at its Maturity Date, Investors will not receive what they are entitled to and may lose their entire initial investment. It is, therefore, vital to monitor the financial strength of each issuer whose products are held in the strategy. We will monitor a range of financial strength indicators and take appropriate action if we believe an Issuer's financial position is deteriorating to such an extent that your investment may be at risk.

When selecting which Issuers to have exposure to in the first place, we will invest only in products issued by investment banks which have been assessed by a credit agency as having an investment grade Credit Rating. In the case of Standard & Poor's, which is one of the top three recognized global credit agencies, this represents a BBB- rating.

To further reduce the overall impact on the Managed Portfolio, resulting from an Issuer defaulting, we also monitor and control our exposure to any one Issuer. As such, no more than 30% of the Managed Portfolio will be exposed to any one Issuer at any time. We would typically expect to have exposure to between five and eight Issuers within both the Income and Growth models.

Market Risk

As you will hopefully appreciate from the three examples provided on page 5, if the Underlying Asset, to which a Product is linked, suffers a substantial pullback, this could have a detrimental impact on the value of the Product and ultimately what Investors receive back at Maturity Date, or if we decide to sell it. In not wishing to be overly exposed to the movements of any one market, we have established minimum and maximum exposures to the main stock markets. This said, we are mindful that a large proportion of Products tend to be linked to the movement in the UK stock market as represented by the FTSE 100 Index.

These are detailed below:

Market:	Permitted Exposure (%)
UK	0 - 80
US	0 - 35
Europe	0 - 35
Japan	0 - 20
Far East (excluding Japan)	0 - 15
Emerging Markets	0 - 15
Other	0 - 15

In a further effort to diversify risk, we will look to invest in a variety of products with a spread of different Maturity and Observation Dates. As such, if the pullback in markets is short-lived, this will hopefully have limited relative impact on the value of your Managed Portfolio and your qualification for income payments.

Liquidity Risk

Given that the only market counterparty with whom we can trade a Structured Product, is the Issuer of it, we will only consider those Products where the Issuer is committed to offering daily dealing and pricing for inclusion in the Managed Portfolio. Under normal market conditions, this should allow us to invest your initial funds promptly, at the same time being able to respond quickly to market developments or to raise funds to meet a full or partial encashment request.

WHICH INVESTORS IS THE SERVICE SUITABLE FOR?



The James Brearley Investment Management Structured Product Portfolio strategy is not suitable for all investors. It has been designed for investors who:

- Are comfortable with investments that are linked to stock market performance.
- Do not expect stock markets to fall significantly over the medium to long term and if anything, expect them to go up.
- Are able to invest for a minimum period of between 5-10 years.
- Want the potential for a higher level of return than might be achieved from a bank or building society deposit account.
- Accept that there is a risk to the capital value of their investment should stock markets fall and/or the financial institutions issuing the Products held in the portfolio experience financial difficulties.
- Understand that the portfolio should form part of an investor's broader range of investments and be able to call upon other funds to meet any unexpected expenditure requirements.
- Are able to lose a large proportion of their investment without this having a detrimental impact on their standard of living.
- Accept that there may be a tax liability on the returns achieved by the investments, be this income tax or capital gains tax.

Income Model Investors:

- Wish to receive a regular income and they are not overly concerned that the real value of their initial investment may decline over time after allowing for inflation.
- Accept that the Service is unlikely to deliver a return of more than 6-8% per annum even if stock markets rise considerably.

Capital Model Investors:

- Wish to achieve capital growth on their initial investment and do not need to receive a regular income to meet their monthly expenditure.
- Accept that the Service is unlikely to deliver a return of more than 6-8% per annum even if stock markets rise considerably.

JAMES BREARLEY: OUR HISTORY & EXPERIENCE



James Brearley has a proud history of providing investment management and share dealing services to individual investors for over 100 years. The business was established by James Brearley in 1919, when he would frequent various gentlemen's clubs throughout the Fylde coast, obtaining share orders from his clients, before heading off to place these on a weekly basis at the Manchester Regional Stock Exchange.

The original partnership was incorporated in April 1999, at which point four senior managers were invited by the prevailing two partners, to become Executive Directors of James Brearley & Sons Limited. Today Nigel Corrie is our Executive Chairman and David Hannis is our Chief Executive Officer. Richard Dunsby (Executive Director), Simon Trippier (Executive Director) and Linda Roberts (Non-Executive Director) have been appointed Directors and make up the current James Brearley Board.

Today, as one of the North of England's leading Investment Managers & Stockbrokers, we employ over 50 people.

Our skilled and experienced staff combined with our financial strength enables us to provide high quality, bespoke and flexible services to all our clients.

We have been regular users of Structured Products within general client portfolios under our discretionary management for more than 15 years.

James Brearley & Sons Ltd is authorised and regulated by the Financial Conduct Authority (FCA) and is a member of the London Stock Exchange and the Personal Investment Management and Financial Advice Association (PIMFA).

INVESTOR REPORTING

Once your Application Form has been processed and we are in receipt of your investment monies, we will send you a communication providing you with your unique access rights to our Web Portal. This provides you with the ability to view an up-to-date valuation of your Portfolio at any time, view your cash statement and access our secure mail facility. We will issue the following communications via this facility and Investors will be issued with an email to inform you each time that mail is available to review:

Confirmation Notes: If requested, each time we place a trade for your Managed Portfolio we will issue you with a confirmation note informing you of the details of the transaction.

Quarterly Valuation Reports: we will provide you with an up-to-date valuation of your Managed Portfolio as at the end of March, June, September and December. The report will include a Performance Statement where we will state the return achieved by the Managed Portfolio over the previous three months along with that of an appropriate benchmark. For the purposes of the Structured Product Portfolio strategies, we believe the MSCI PIMFA Conservative Portfolio Index to be the most appropriate one.

The Performance Statement will also include a note of the management fees applied to your account over the period. Along with a market commentary, the report also incorporates a statement of your Cash Settlement Account and schedule of all transactions for the period. You may request a more regular valuation report from us than quarterly, however, we may choose to apply a charge for this.

Tax Reports: On an annual basis, we will provide you with a tax report to include a consolidated tax certificate for the previous tax year, along with a capital gains report for this period where appropriate.

Cost & Charges Statement: We will provide you with a Cost & Charges Statement for each calendar year, which will state what costs you have incurred and the impact this has had on the returns achieved by the Managed Portfolio.

OUR INVESTMENT MANAGEMENT PROCESS

The day-to-day management of the James Brearley Investment Management Service Structured Products Portfolio is the responsibility of our experienced and qualified investment managers, who will construct, manage and administer Portfolios to satisfy the stated objectives for each of the Income and Growth models.

In an effort to diversify the risks outlined in more detail on page 6, the team will ensure that your Managed Portfolio is not overly exposed to any one particular Issuer, any specific Underlying Asset or concentrated on any particular Observation Dates or Maturity Dates. We will also construct a portfolio of different types of Structured Products to reflect our outlook for financial markets in general. This is all with a continual eye on the Managed Portfolio achieving the targeted returns outlined on page 7.

When we elect to sell one holding and purchase another, we will undertake a bulk sale of all clients' positions in the Product in question, in turn looking to re-invest the resulting sale proceeds for everyone at the same time. We also intend to re-balance each Managed Portfolio back in line with our optimal weighting per Product on a quarterly basis.

We are confident this approach will lead to consistent returns being achieved for each Investor in their respective model.

FEES & CHARGES

Our annual management fee for the Service is 0.75% plus VAT which will be applied to your Portfolio. The fee is calculated on a daily basis, based on the value of your Managed Portfolio, being applied each month in arrears. This charge is effectively an “all-in” fee, as such there are no additional charges applied when we execute deals on your Portfolio on your behalf or for the safekeeping of your Managed Portfolio holdings.

At the current time, all trades in listed structured product stocks are exempt from the 0.5% stamp duty that is typically applied on equity purchases.

Where we receive a request from an Investor to terminate the Service or we are notified of the death of an Investor, the Service terminating immediately, we will apply the accrued management charge to this point in time.

It is our regulatory obligation to provide all potential Investors with a projection of the fees and charges that you are likely to incur should you invest in the Service and specifically the impact these are likely to have on your returns. This is presented below, where we have assumed a fixed annual return of 5%, solely for projection purposes. For the purpose of this projection, we have not incorporated any Adviser Fee that you may have authorised for any investment advice you have received from a Financial Adviser on the Service.

On an annual basis, we will provide you with a Cost & Charges statement covering the previous calendar year, stating the actual charges incurred over this period and the impact they have had on your returns.

James Brearley Investment Management Service Structured Product Portfolio Costs & Charges Illustration: Investment Amount: £100,000

	END YEAR					Total Return £	Total Return %
	1	2	3	4	5		
Return No Charges: Assuming 5% Annual Growth	£105,000.00	£110,250.00	£115,762.50	£121,550.00	£127,628.16	£27,628.16	27.63

Charges	END YEAR					Total Charges Over 5 Years
	1	2	3	4	5	
James Brearley Management Fee (Inc. VAT)	£922.50	£960.11	£999.26	£1,040.01	£1,082.41	£5,004.30
Total Charges	£922.50	£960.11	£999.26	£1,040.01	£1,082.41	£5,004.30

						Total Return £	Total Return %
Return Included Charges: Assuming 5% Annual Growth	£104,077.50	£108,321.26	£112,738.06	£117,334.95	£122,119.29	£22,119.29	22.12

The above figures are based on an assumed growth rate of 5% per annum which for calculation purposes we have assumed accrues equally each month. The figures are based on an assumed constant management charge for each calendar year.

Note: Investing in stock market-based investments may not be right for all investors. The value of an investment and any income from it can fall as well as rise as a result of market and currency movement and you may not get back the amount originally invested. You could get back nothing at all.

FREQUENTLY ASKED QUESTIONS

WHAT AM I COMMITTING TO?

You are committing to invest in a discretionary service where we will take investment decisions on your behalf without seeking your prior approval to them. You should consider this as a medium to long-term investment. Whilst it is possible to make a partial or full encashment of your Managed Portfolio at any time, this may have adverse implications for your capital leading to you getting back less than you originally invested.

CAN I CHANGE MY MIND AND NOT INVEST IN THE SERVICE?

If you decide you wish to cancel the Service, you should notify us in writing within a 14-day period. Whilst you will not be charged the Management Fee for this period, the sale of any Products purchased within your Managed Portfolio may result in a loss of capital. Please refer to the Service Terms & Conditions for more information.

WHAT INFORMATION WILL I RECEIVE?

The correspondence referred to earlier will also include details of your access rights to our Web Portal. This facility provides you with the ability to monitor the progress of your Managed Portfolio on a 24/7 basis. If requested, you will be provided with a Confirmation Note for each transaction undertaken on your behalf, which will be delivered via the Web Portal's "secure mail" facility. A quarterly valuation report as at the end of March, June, September & December, to include a performance statement, will be issued to you via this same structure. You will also receive an annual tax report, to include a consolidated tax certificate for the previous tax year. We will also provide you with a capital gains report for this period where appropriate.

SHOULD I TAKE FINANCIAL ADVICE?

It is strongly recommended that you take financial advice from your Financial Adviser before investing into the Service. If you do take advice, your adviser will assess the suitability of the Service in relation to your circumstances. However, you can invest directly without taking financial advice. Under these circumstances, it is our responsibility to undertake a suitability assessment before we commence managing your portfolio under our Discretionary Management Service. To ensure we act in your best interest we will make a detailed suitability analysis of your personal circumstances, investment aims and attitude to risk and agree a portfolio management mandate with you.

WHAT ADVISER FEES SHOULD I PAY?

This is a matter for you to discuss with your Financial Adviser. Any fee paid to a Financial Adviser in relation to the service they provide must be authorised by you. We will facilitate the payment of the authorised fee on your behalf from your investment. For example, if you invest £50,000 and have agreed to pay 1% (or £500) to your Financial Adviser as an initial fee, we will deduct £500 from the £50,000 and send that amount to your Financial Adviser. The remaining £49,500 will be invested in the Managed Portfolio. If you have also authorised an ongoing Adviser Fee of, say 0.5% per annum this would be calculated based on the daily value of your Portfolio and applied on a quarterly basis.

WHAT HAPPENS TO MY INVESTMENT IF I DIE?

If you die the Service will cease immediately however we will continue to hold your investments and will adhere to the instructions given by the administrators of your estate. The Investments may be sold, or it may be possible to re-register them into the name of your beneficiaries.

If your portfolio is held in an ISA, it may remain within an ISA and benefit from its tax benefits for up to a maximum of 3 years from your date of death, or until we receive instructions from the administrators of your estate.

CAN I ENCASH MY PORTFOLIO AT ANY TIME?

Yes, you can request a full or partial encashment of your Managed Portfolio at any time, the latter being conditional on retaining a minimum value of £50,000. Such a course of action may have adverse tax implications. Due to restrictions that may have been imposed on us by the Issuer, it may not be possible to transfer your Product positions into your name.

HOW MUCH AM I ABLE TO INVEST?

The minimum investment into the Service is £50,000, there is no maximum. If you are planning to invest via an ISA, you can transfer an existing ISA and invest up to the prevailing ISA allowance for that tax year. You can transfer your entire existing ISA into the Service but again this is subject to the £50,000 minimum investment limit.

WHAT SHOULD I DO IF I WANT TO COMPLAIN?

We have established procedures in accordance with the FCA Rules for consideration of complaints. Details of these procedures are available on request. Should you have a complaint, you should address this to the Complaints Officer, at the address detailed below. If we cannot resolve the complaint to your satisfaction, you may be entitled to refer it to the Financial Ombudsman Service. Please refer to the "Complaints" section of the Terms & Conditions document for more details.

WHAT HAPPENS IF JAMES BREARLEY BECOMES INSOLVENT?

Should there be any shortfall in your physical share holdings, or the cash held within your investment account at the time that we become insolvent, under current regulation, you may be entitled to claim related losses of up to £85,000, from the Financial Services Compensation Scheme. For clarity, this does not cover losses resulting from the decline in actual share valuations or the total worth of your Managed Portfolio. Further information on the scheme is available at: www.fscs.org.uk/your-claim/eligibility-rules

WHAT HAPPENS IF AN ISSUER OF A PRODUCT HELD IN THE PORTFOLIO BECOMES INSOLVENT?

If an Issuer of a Product becomes insolvent, you will lose some or all of the money that was invested in it. This scenario is not covered by the Financial Services Compensation Scheme.

WHAT IF I HAVE OTHER QUESTIONS?

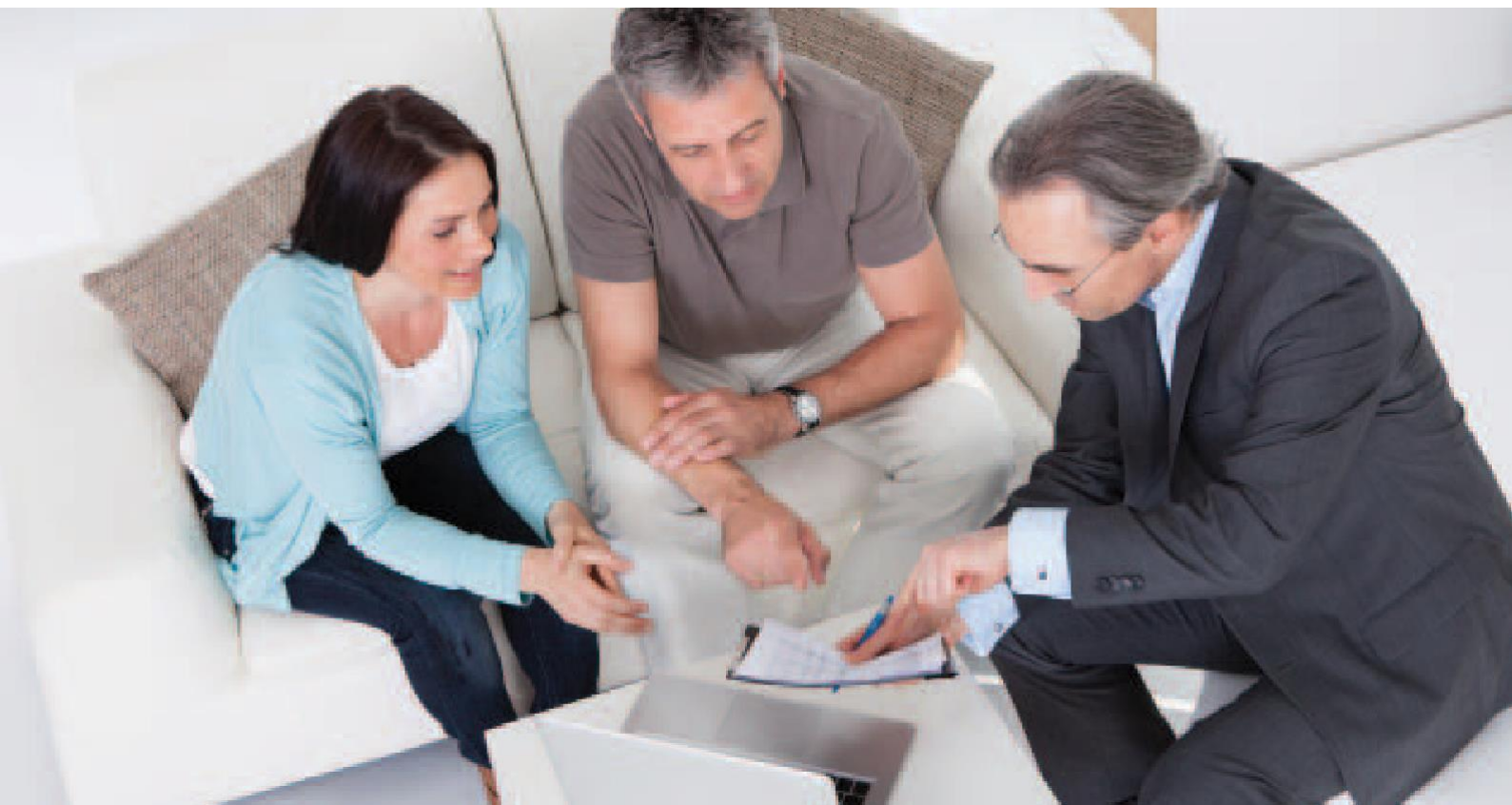
If you have any further questions in respect of the Service, please contact us by telephone on 01772 318760 or via email to ISOT@jbrearley.co.uk.

Alternatively, if you wish to write to us, please address your correspondence to:

James Brearley Investment Managers & Stockbrokers, 7 South Preston Office Village, Cuerden Way, Bamber Bridge, Preston, PR5 6BL.

For more general information on James Brearley, you can visit our website at www.jbrearley.co.uk.

TAXATION



The information contained in this Brochure is based on our understanding of rates of tax, current legislation, regulations and practice, which may change in the future and could be applied retrospectively. This is a general guide only. The information relates solely to United Kingdom taxation and is expected to apply to you if you are a UK tax resident investor who is the beneficial owner of the Investments in your Managed Portfolio.

The statements are not exhaustive and do not constitute tax advice. It is important that you consult your tax advisers concerning possible taxation and other consequences of the Service.

If you invest through an ISA, the Managed Portfolio, and any capital gains arising from it, are not subject to tax.

If you invest in the James Brearley Investment Management Service Structured Product Portfolio outside of an ISA all gains may be subject to capital gains tax. Additionally, if you are a higher or additional rate taxpayer, a further liability may arise on any dividend or interest entitlements you receive. You will be responsible for ensuring that you declare such items in your tax returns. The rate of tax payable will depend on your own circumstances and tax rates and practice at that time.

We will not give any consideration to your personal tax circumstances when making decisions as to what to purchase or dispose of within the James Brearley Investment Management Service Structured Product Portfolio. It is, therefore, possible that our actions may lead to you being liable to capital gains tax.

Further information about tax in the UK is available from the HMRC website: www.hmrc.gov.uk

GLOSSARY OF TERMS

This Glossary applies to your investment in the James Brearley Investment Management Service Structured Product Portfolio. Your investment will have the features and risks set out in this brochure, Application Form and Service Terms & Conditions and you should read all these documents carefully. This Glossary applies from when your Application Form is accepted and is in addition to any terms and conditions that relate to any other investment account you may have with James Brearley.

Adviser Fee: A fee payable by an Investor to a Financial Adviser, be it for initial or ongoing advice over the suitability of the Service.

Applicable Laws: All relevant UK laws, regulations and rules, including those of the FCA.

Application Form: A form completed by a prospective investor.

Benchmark: A yardstick to allow Investors to assess the returns achieved by their Managed Portfolio against. In the case of the James Brearley Structured Product Portfolio Service this will be the MSCI PIMFA Conservative Stock Market Portfolio Index (Total Return).

Brochure: The James Brearley Structured Product Portfolio Service marketing document, of which this Glossary forms part.

Cash Settlement Account / ISA Cash Account: Part of your account with us where cash held for you is recorded and that cash related transactions following the receipt of any distribution entitlements are processed.

Client Money Bank Account: An account at a third-party bank. It includes in its title an appropriate description to indicate that it holds only investors' money in accordance with our regulatory responsibilities and is used to hold the money of one or more of our clients.

Confirmation Note: A document issued by us confirming a transaction made on behalf of an Investor. This will contain details of the security name, the quantity and price dealt, the date and time of execution, along with a note of the total consideration.

Cost & Charges Statement: A report we will issue each year which will state the costs and charges applied to each Investor's Managed Portfolio and the effect these have had on total return.

Credit Rating: An assessment of the financial strength of the issuing bank. A credit assessment and evaluation of large financial institutions is generally done by a specialist rating agency, such as Standard & Poor's, Moody's or Fitch.

Encashment Request: A request made in writing to the Investment Manager stating the amount of investment to be withdrawn.

FCA: The Financial Conduct Authority, contactable at: 12 Endeavour Square, London, E20 1JN.

FCA Rules: The rules contained in the FCA's Handbook.

Financial Adviser: A person authorised by the FCA who assesses the suitability of the Service for an Investor.

HMRC: His Majesty's Revenue & Customs.

Investment: The holdings in the various Structured Product positions purchased by us on behalf of Investors.

Investment Amount: The sum received from an Investor following the deduction of any authorised Adviser Fee.

Investment Manager: James Brearley & Sons Ltd.

Investor: A party who completes an Application Form which is accepted by us and by default accepts the Service Terms & Conditions.

Investor Agreement: The agreement between the Investor and James Brearley & Sons Limited.

Issuer: The entity, typically a large investment bank, that has issued the Structured Product.

James Brearley, Us, We, James Brearley & Sons Limited: The regulated entity providing the Service being authorised and regulated to do so by the Financial Conduct Authority.

Managed Portfolio or Service: The management of your Investment Amount on a discretionary basis by us.

Management Fee: Our annual charge for the Service.

Maturity Date: The date at which a Structured Product will be redeemed, typically based on the standing of the Underlying Asset at this time.

Maturity Value: The amount received for a Structured Product at its Maturity Date.

MIFID II: Regulation introduced across the European Community on 3rd January 2018.

Minimum Investment: The minimum amount an Investor may place in the Service, being £50,000.

Nominee Company: A company established for holding Investments on behalf of investors. Although the Nominee Company becomes the legal owner of such Investments, the investor is the beneficial owner.

Observation Date: The dates at which it is determined whether a Structured Product holder qualifies for an income or capital return, in certain instances this also triggering the early redemption of the Product.

Ongoing Fee: An optional fee payable for ongoing advice by an Investor for an advised recommendation as long as an investment is held. This is applied on a quarterly basis.

Performance Statement: A section of the quarterly valuation which will state the return achieved by the Managed Portfolio over the period under review. This is shown against a Benchmark.

Risk Category: The grouping of investments of a similar risk.

Structured Product/Product: Structured Products are investments designed to offer capital growth, or income, or a combination of both. Qualification for an income payment, investment return and the Maturity Value, are determined by reference to the performance of an Underlying Asset at an Observation Date and Maturity Date.

Underlying Asset: The financial asset(s), that is used to determine the investment return, capital return and income. The Underlying Asset may be one or more stock market indices or a basket of shares.

Volatility: Volatility is a measure of how variable or spread the returns from an investment or Product may be. If Volatility is low then this suggests that returns are going to be fairly similar, whereas if Volatility is high, then returns could vary across a wide range.

Web Portal: A facility available at our website of www.jbrearley.co.uk which allows an Investor to gain access via their unique username and password, to information relating to their Portfolio to include amongst other things a current valuation, a cash statement and transactions history.

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