



Vanguard Managed ISA Service Terms and Conditions

March 2024

Introduction

These are the terms and conditions for the Vanguard Managed ISA Service ("**VMI Service**") and the VMI Account (as an ISA) (the "**Terms**").

These Terms form a binding legal agreement between you and Vanguard Asset Management Limited ("**Vanguard**") for the VMI Service, together with:

- the declaration you complete before you receive the VMI Service;
- the application form you completed to open your VMI Account with us; and
- the Key Features Documents.

Before accepting the VMI Service and opening your VMI Account, you should read these Terms, together with the important disclosures in the Legal Information page at www.vanguardinvestor.co.uk and the Initial Disclosure Document. Information on how to access these documents is available on request. If there is anything in these documents which you do not understand, please contact us on the details set out below.

The VMI Service is an investment management service, which utilises pre-built investment portfolios. The VMI Service will provide ongoing management of the funds in your VMI Account with the agreed goal of growing your investments over the time you use the VMI Service. This will be achieved by investing the monies held in your VMI Account in accordance with one of our five pre-built investment portfolios, periodically Rebalancing the composition of the holdings within your VMI Account to remain within the parameters of the pre-built investment portfolio accepted by you, which we will use as an investment mandate.

All investors will have the monies in their VMI Account invested in accordance with one of the five pre-built investment portfolios Vanguard has created – precisely which of the pre-built investment portfolios will depend on the risk appetite of the individual investor. All investors utilising the same pre-built investment portfolio will be subject to the same Rebalancing to ensure their investments continue to align with the proportions set out by the pre-built investment portfolio to which they have signed up.

Your VMI Account is an ISA.

Vanguard reserves the right to change, modify or discontinue any features of these Terms. Where we reasonably consider that changes are material or detrimental to you we will provide you with at least one month's written notice in advance, and you will be able to close your VMI Account and terminate the VMI Service without a fee if you do not accept the changes. Changes that are necessary due to reasons outside of

our control and/or which are immaterial and not to your detriment may take effect immediately. We will tell you as soon as possible after the change if we have not been able to inform you in advance.

Vanguard

Vanguard Asset Management Limited is authorised and regulated by the Financial Conduct Authority in the UK (under firm reference number 527839). Its registered office is at 4th Floor, The Walbrook Building, 25 Walbrook, London EC4N 8AF. The contact address for the FCA is 12 Endeavour Square, London E20 1JN.

How to contact Vanguard

We recommend that you contact us through secure mail via your online VMI Account. Alternatively, you may email us at personalinvestors@vanguard.co.uk. Please do not include any account details if you contact us by email.

You can also call us on 0800 587 0460 – on any Business Day (Please refer to our website for details of our opening hours).

Complaints

If you have a complaint in respect of the VMI Service or any part thereof, please contact us using the details above. A copy of our Complaints Handling Policy is available on the website. If you are not happy with our response, you can refer your complaint to the Financial Ombudsman Service by one of the methods below:

Financial Ombudsman Service

Exchange Tower, Harbour Exchange Square,
London E14 9SR

Telephone: 0800 023 4567 (call charges will vary)

Email: complaint.info@financial-ombudsman.org.uk

Website: www.financial-ombudsman.org.uk

Vanguard and the VMI Service are covered by the Financial Services Compensation Scheme ("**FSCS**"). You may be entitled to compensation from the FSCS if we are no longer trading or are declared to be in default and cannot meet our obligations to you. This depends on the type of investment and the circumstances of your claim. Most types of investment business are covered up to a maximum of 100% of the first £85,000 per person. In respect of money held with a bank the maximum amount of compensation in respect of the account-holding bank's insolvency is £85,000. Our current banking partners are HSBC plc and JP Morgan Chase Bank. We will inform you if this changes. The limits may change in the future. For more information about how the FSCS might apply to you, please contact us or visit the FSCS website at fscs.org.uk. The FSCS's address is 10th Floor, Beaufort House, 15 St Botolph Street, London EC3A 7QU.

Contents

1. Description of Services	4
2. Commencement	4
3. Our role	4
4. Communications	5
5. Your VMI Account	5
6. VMI Service	6
7. Suitability	7
8. Payments into the VMI Account	8
9. Switching existing investments into the VMI Service	8
10. Withdrawals from your VMI Account	9
11. Transfers Out	9
12. Charges	10
13. Ending the VMI Service	10
14. Cash	11
15. Your Vanguard Funds	12
16. Income	12
17. Reports and voting rights	13
18. Statements	13
19. Our responsibilities to you	13
20. Your responsibilities to us	13
21. Your personal information	13
22. Intellectual property	14
23. Changing or assigning these Terms	14
24. Disputes and governing law	14
APPENDIX 1 – Charges	15
APPENDIX 2 – Order Execution Policy	16
APPENDIX 3 – Conflicts	17
APPENDIX 4 – Definitions	18

1. Description of Services

- 1.1. The VMI Service is an investment management service, which utilises pre-built investment portfolios. The VMI Service will provide ongoing management of the funds in your VMI Account with the agreed goal of growing your investments over the time you use the VMI Service. This will be achieved by investing the monies held in your VMI Account in accordance with one of our five pre-built investment portfolios, periodically Rebalancing the composition of the holdings within your VMI Account to remain within the parameters of the pre-built investment portfolio accepted by you, which we will use as an investment mandate.
- 1.2. All investors will have the monies in their VMI Account invested in accordance with one of the five pre-built investment portfolios Vanguard has created – precisely which of the pre-built investment portfolios will depend on the risk appetite of the individual investor. All investors utilising the same pre-built investment portfolio will be subject to the same Rebalancing to ensure their investments continue to align with the proportions set out by the pre-built investment portfolio to which they have signed up.

2. Commencement

- 2.1. By confirming you accept these Terms, you confirm that you meet the conditions set out in these Terms, and that you want us to provide the VMI Service using the pre-built investment portfolio presented to you following the determination of your risk appetite, which you confirm that you accept and which we will use as an investment mandate.
- 2.2. The Terms will become legally binding and we will start providing the VMI Service to you when you click accept and your Application to open a VMI Account has been accepted (as set out at Clause 5.2).
- 2.3. If you already have an existing do it yourself ISA with us, to use the VMI Service, you will convert that account to a VMI Account as part of the onboarding process. Once you have been accepted into the VMI Service, these Terms will replace the Vanguard Client Terms in their entirety for the purposes of the VMI Service and your VMI Account. Nothing in these Terms shall prejudice any of your rights or liabilities under the Vanguard Client Terms that may have accrued prior to the date these Terms become effective.

3. Our role

- 3.1. Our role is to:
 - (a) following your successful Application to open a VMI Account, invest the monies therein in accordance with the pre-built investment portfolio you have accepted following the determination of your risk appetite (see 7.1); and
 - (b) thereafter, periodically Rebalance the investments in your VMI Account, in accordance with the pre-built investment portfolio you have accepted, which we will use as an investment mandate.
- 3.2. We will safekeep and administer the units in the Vanguard Funds which we acquire for you in providing the VMI Service.
- 3.3. In all of our dealings with you we will comply with:
 - (a) these Terms; and
 - (b) Applicable Regulations.
- 3.4. When we Rebalance the investments in your VMI Account we will do so in line with our Order Execution Policy. Appendix 2 sets out a summary of our Order Execution Policy, which describes how we get the best possible results when dealing. You have the right to ask us for further information about how we achieve best execution.
- 3.5. Our Conflicts of Interest Policy sets out the types of actual or potential conflicts of interest which affect our business and provides details of how these are identified and managed or prevented. A summary of our current policy is set out in Appendix 3. You have the right to ask us for further information regarding our Conflicts of Interest Policy.
- 3.6. The FCA Rules require us to classify all investors. The VMI Service is provided by us to 'retail clients'. Unless we tell you otherwise, we will treat you as a retail client under the FCA Rules. This means you get the highest level of protection available under the FCA Rules.
- 3.7. Under the FCA Rules, Vanguard is restricted from accepting and retaining any fees, commission or monetary benefits, or accepting any non-monetary benefits (other than acceptable minor non-monetary benefits, where these are paid or provided by a third party or a person acting on their behalf). We ensure that any payments we receive are in compliance with the FCA Rules. We may receive certain acceptable minor non-monetary benefits. These could include:

- (a) information or documentation relating to a financial instrument or investment service, that is generic in nature or personalised to reflect the circumstances of an individual client;
 - (b) participation in conferences, seminars and other training events on the benefits and features of a specific financial instrument or an investment service; or
 - (c) hospitality of a reasonable de minimis value, including food and drink during a business meeting or a conference, seminar or other training event.
- 3.8. Your VMI Account is an ISA. Your ISA is managed by Vanguard Asset Management, Limited. We are entitled to delegate our obligations as ISA manager. If we decide to do so we will first satisfy ourselves that any person to whom we delegate such functions or responsibilities is competent and authorised to carry them out.
- 4. Communications**
- 4.1. By signing up to this service and accepting these Terms, you agree that we will send documents to you via a secure online mailbox. We will not generally communicate with you by post. All our documents and communications with you will be in English.
- 4.2. You should not enrol in the VMI Service or agree to the Terms if you do not have internet access or do not want to accept communications and information from us by means of electronic delivery. You are required to maintain an active email address.
- 4.3. You agree to receive copies of our up-to-date policy summaries (including summaries of our Conflicts of Interest Policy and Order Execution Policy) via our website at www.vanguardinvestor.co.uk and to access your VMI Account at least once a quarter for the purpose of viewing the statements and other information which we provide to you.
- 4.4. If we do communicate with you by post, we will write to you at the last address you gave us. If communications we send to you are returned to us, we may put restrictions on your VMI Account and stop making Withdrawal payments out to you for reasons of security.
- 4.5. You can communicate with us securely through secure mail via your online VMI Account. Alternatively, you may email us at personalinvestors@vanguard.co.uk. Please do not include any account details if you contact us by email. You can also contact us by calling us on 0800 587 0460 on any Business Day (Please refer to our website for details of our opening hours).
- 4.6. We will act and/or rely on any communication which we reasonably believe to have been made by you, and so you should make sure you keep your security details safe as required at Clause 5.6 of these Terms. For security purposes, we may ask you to confirm some information in writing before we act on any communication from you.
- 4.7. We cannot guarantee that access to the VMI Service customer support team will be available at all times or without delay. We may at our absolute discretion suspend the operation of our online services and/or telephone services where this is necessary. For example, suspensions may be necessary for technical reasons, for us to undertake trading on your VMI Account, emergencies, regulatory reasons or where we decide it is for your and our other client's protection. Occasionally, we may also need to suspend the provision of online services to maintain or upgrade our systems. We will not be liable to you if our systems or services are unavailable to you.
- 4.8. You agree that Vanguard may provide, in accordance with our Privacy Policy, alerts and notifications of our products and services to you via electronic transmission, including via any email address or mobile number you provide to us.
- 4.9. We are obliged under the FCA Rules to record certain communications (including telephone calls, video and electronic communications and instant messaging) which relate to, or are intended to lead to, the conclusion of a contract in a financial instrument. You have the right to request a copy of such recordings at any time in the five-year period beginning on the date of the relevant recording. We may monitor and record other communications and calls in accordance with Applicable Regulations.
- 5. Your VMI Account**
- 5.1. You can generally receive the VMI Service and open a VMI Account if you: (i) are an individual aged 18 years or over; (ii) are UK resident (note this excludes Channel Islands and Crown Dependency residents); (iii) you pay tax in the UK; and (iv) do not have another managed account with us (for example, a managed pension account).
- 5.2. In order to receive the VMI Service, you must open a VMI Account by completing an online Application. This can be done at www.vanguardinvestor.co.uk. As part of the VMI Account opening process, you will set up a username and password, and certain other personal security details you will use to access your VMI Account.

- 5.3. The submission of your Application does not constitute our acceptance of your VMI Account which we may decline entirely at our discretion. These Terms come into force when we accept your Application. This is normally on the Business Day we receive it.
 - 5.4. If you have an existing do it yourself ISA Account with us, to use the VMI Service, you will convert that account to a VMI Account as part of the onboarding process and you will be deemed to have opened a VMI Account when we notify you in writing of our acceptance. In order to complete the onboarding process, we will arrange a call with you to answer any questions you may have and ensure we have everything we need to convert your existing do it yourself ISA. You will use your existing username and password to access your VMI Account, together with your other personal security details.
 - 5.5. Opening a VMI Account means you accept these Terms and you confirm to us that you meet the conditions set out in these Terms. Your VMI Account may be restricted if your residency or tax status change. This means that we may suspend our management of your portfolio, and that we will only provide administrative and record-keeping services in return for the applicable Charges. We may sell your Vanguard Funds and close your VMI Account if you cease to be a UK resident.
 - 5.6. You must keep your security details secret. You must not disclose them to anyone or allow any other person to access your VMI Account using your security details. We are not responsible for any loss that your VMI Account may incur as a result of not having kept your security details and/or password secret.
 - 5.7. Under applicable money laundering regulations, we are required to verify the identity of our investors, beneficial owners and anyone controlling or paying for Vanguard Funds. We will carry out electronic searches on private and public databases and use credit reference agencies which will record that an enquiry has been made. We may also need to ask you for further documentation as evidence.
 - 5.8. If we do need to carry out additional checks, until we have verified your identity and/or bank account information we may prevent any Withdrawal payments. After 30 days we will prevent you from making any further Payments. If your identity is not verified within 60 days of the opening of your VMI Account, we may end the VMI Service, close your VMI Account and return any funds to the bank account from which they were received.
 - 5.9. The VMI Service is not available to US persons. "US persons" include any citizen of the United States of America (US), any person holding a US passport (regardless of residency or domicile), and any person who has an obligation to pay tax to the US tax authorities on their worldwide income. If you are or you become a US person, we may restrict the services we offer you and inform the relevant authorities and reserve the right to dispose of investments from your VMI Account without notice.
- ## 6. VMI Service
- 6.1. The VMI Service will provide ongoing management of your VMI Account with the goal of growing your investments over the time you use the VMI Service.
 - 6.2. Vanguard will Rebalance the Vanguard Funds within your VMI Account, using the parameters of the pre-built investment portfolio you have accepted as an investment mandate. Your investments will be Rebalanced in line with all other investors who have accepted the same pre-built investment portfolio. We will manage your VMI Account with reasonable care and skill and act in your best interests. You authorise us to enter into any kind of arrangement or transaction on your behalf as permitted by these Terms at our discretion, within the parameters of the pre-built investment portfolio you have accepted. Investments will be made into a range of up to twelve Vanguard Funds, with varying levels of risk. Higher risk and lower risk funds may be purchased for your VMI Account in a balance which accords with your risk appetite and the pre-built investment portfolio you have accepted. We may invest any amount or any proportion of your VMI Account (including cash received into your VMI Account) in any currency, and on any market.
 - 6.3. It is important to understand that you will not be able to execute transactions in your VMI Account.
 - 6.4. Cash balances may be held temporarily from time to time (for example, prior to us undertaking a transaction for your VMI Account).
 - 6.5. Where Vanguard enters into a transaction on your behalf (such as buying or selling a Vanguard Fund), we will use the information you have provided to us in accordance with Clause 7 to decide if the proposed transaction is suitable.
 - 6.6. If you are (i) converting an existing do it yourself ISA to a VMI Account; or (ii) Switching existing investments into the VMI Service in line with Clause 9, you agree that by accepting these Terms, some or all of your existing holdings may be sold as part of the transition of your existing investment portfolio into the VMI Service. This may realise losses or gains inherent in the

investments before the transition. You will not benefit from any rise in the markets once existing holdings have been sold pending the purchase of the portfolio set out in your pre-built investment portfolio, although you will be protected from any fall. All investments can go down in value as well as up and we are not responsible for any losses you incur as a result of external market movements or any tax liabilities which may arise as a result of your investments prior to your acceptance of these Terms.

6.7. When managing your VMI Account, orders that we make on your behalf will be aggregated with those of other clients. The aggregation of orders between clients is a process of adding together orders to purchase or sell the same security as one large bulk order. In the event that we carry out such bulk orders, these will be disaggregated and then distributed to you based on trades we placed on your behalf. There may be instances where, as a result of aggregation and/or the disaggregation, amounts you receive may require rounding in accordance with the relevant Vanguard Fund prospectus. This is because we may not be able to allocate units to exact amounts pro rata between clients. Rounding may result in a minor loss or gain to your holdings or amount invested/received, so on occasions you may be disadvantaged in relation to a particular order. Any residual cash balance that cannot be allocated to clients within an aggregated order will be retained by Vanguard.

6.8. As with every financial product and investment service, there are certain risks which arise. You should make sure that you understand these risks before accepting these Terms. The Initial Disclosure Document and the documentation provided on our website (including the Key Features Document) and the important disclosures in the Legal Information page contain important information about the risks associated with the VMI Service, opening a VMI Account (as an ISA) and Vanguard Funds more broadly. We recommend that you read this information carefully before deciding to accept the VMI Service from us. By accepting the VMI Service from us, you accept that:

- investing over the long term can reduce the impact of any negative performance periods, as can investment in growth assets such as equities in the earlier years of your investments;
- the value of your investments may be affected by when you choose to withdraw your funds. If you choose to withdraw your funds during a negative performance period then the value of your investments may be less than if you were to choose to withdraw funds during a positive performance period;

- the VMI Service manages your VMI Account using the parameters of the pre-built investment portfolio you have accepted as an investment mandate. We have not undertaken any assessment of your personal circumstances and will not make any personal recommendation to you. If you are unsure about any matter you should consider taking independent professional advice in relation to your individual circumstances and requirements;
- through the VMI Service, you may end up investing all or a significant part of your savings exclusively in Vanguard managed funds. This approach carries greater concentration risk in respect of Vanguard's solvency than investing in a wide range of products available from a larger number of providers;
- there are specific risks related to the financial products you will be investing in. All Vanguard Funds have distinct characteristics and risks, as they follow different investment strategies. These risks are outlined in product-specific documentation which is available on our website;
- the real value of your investments may be adversely affected by inflation, reducing the buying power and therefore the sufficiency of your money; and
- where the underlying investments in one or more of the Vanguard Funds in which your portfolio is invested is denominated in a non-Sterling currency, a movement of exchange rates may have either a positive or negative effect on the gain or loss otherwise experienced by the investment.

7. Suitability

- 7.1. Vanguard will assess the suitability of the transactions entered into on your behalf based upon information you have provided about your knowledge and experience of investing, your financial situation, including your ability to bear loss and risk appetite. As part of the VMI Account opening process, we will ask you several questions to get this information.
- 7.2. Following the determination of your risk appetite (based on the information you have provided), we will show you which of our five pre-built investment portfolios aligns to that. You can then either accept this pre-built investment portfolio or select another within an appropriate range. Any investments made with the monies in your VMI Account will be made in line with your chosen pre-built investment portfolio.

- 7.3. You accept that we will treat the information you provided as accurate and complete, unless and until you change it by updating us.
 - 7.4. The decision whether to allow you to open a VMI Account on the basis of the suitability information you provide is entirely ours and we may refuse to open a VMI Account for any or no reason.
 - 7.5. You should notify us promptly (via secure message or telephone) of any changes to the information you have provided about your knowledge and experience of investing, your financial situation, including your ability to bear loss and risk attitude. We may discuss the changes with you and may ask you to provide further information, if required.
 - 7.6. We will contact you at least annually to request that you validate the information that you have previously provided to us. If you fail to validate this information or do not respond to Vanguard's attempts to contact you, Vanguard will assume that there have been no changes, and Vanguard will continue to manage your VMI Account using the information you provided us previously. Vanguard reserves the right to cancel its services provided under these Terms and terminate the VMI Service if you fail to respond or interact with Vanguard.
 - 7.7. It is important that you take responsibility for ensuring that all information provided to Vanguard is accurate and up-to-date. Vanguard is entitled to rely on the information provided by you unless it is aware that the information is manifestly out of date, inaccurate or incomplete.
- 8. Payments into the VMI Account**
- 8.1. The minimum investment amount to open a VMI Account is £500. You cannot set up a VMI Account with less than this amount.
 - 8.2. You can make one-off (lump sum) payments and / or set up monthly investments through a Regular Savings Plan.
 - 8.3. If you make investments through a Regular Savings Plan, the minimum monthly investment amount is £100.
 - 8.4. You can make Payments using a debit card from your personal UK bank account, or (if you set up a Regular Savings Plan) by direct debit.
 - 8.5. If you previously had a Regular Savings Plan set up for an existing do it yourself ISA prior to joining the VMI Service, as part of the onboarding process, we will reinstate this for your VMI Account under these Terms (provided we are not restricted for whatever reason in doing so).
 - 8.6. With a Regular Savings Plan, you can adjust or stop your Payments at any time. We will continue to collect your payments until you change the instructions to us. You must make any change at least 8 (eight) full Business Days before the next scheduled payment date if you want the change to take effect from then.
 - 8.7. If we are unable to collect your Payment under a Regular Savings Plan for three successive months, we will cancel it. We will contact you if we cancel your Regular Savings Plan and in such an event you will need to set up another Regular Savings Plan if you want to continue to contribute regularly. We reserve the right to deduct any shortfall from your VMI Account resulting from us not being able to collect the sum under a Regular Saving Plan or as a result of your bank recalling any amounts. You will initially be given 8 (eight) days in which to cover any shortfall by means of a debit card payment before a deduction is made. In addition, we can stop your Regular Savings Plan by giving you a minimum of one month's notice in writing, although we will always try to give more notice, where reasonably practicable.
 - 8.8. We will only invest a Payment once we have received cleared funds which can take up to two Business Days and we will not undertake any transactions prior to us receiving full payment of amounts from you. On receipt of cleared funds, we will typically make transactions within 3 Business Days, however there may be circumstances whereby it takes longer. Prior to undertaking any transactions for your VMI Account all monies received will be held in cash.
- 9. Switching existing investments into the VMI Service**
- 9.1. You may be able to Switch an existing ISA you hold through another ISA provider into a VMI Account.
 - 9.2. If the ISA you are Switching includes Vanguard Funds, these may be able to be transferred into your VMI Account without first being sold to cash. However, Vanguard ETFs cannot be Switched into your VMI Account without first being sold to cash.
 - 9.3. We would only be able to make a Switch if it is something which is offered by your existing provider.
 - 9.4. All investments in non-Vanguard Funds and Vanguard ETFs must be transferred in cash. If you attempt to Switch a Vanguard ETF (and this has not been sold to cash first), we will contact you in order to provide us with specific instructions to sell that Vanguard ETF so it can be sold to cash. We will initiate the sale as soon as we can after receiving your instructions. You agree and

acknowledge that transactions under the VMI Service relating to the Switched assets will not take place until you have provided us with such instructions. The sale of the Vanguard ETF will be executed in accordance with our Order Execution Policy (a summary of which is set out at Appendix 2). We will send you a confirmation once the sale has been completed, including full details of the transaction. Transactions under the VMI Service relating to the Switched assets will then be undertaken.

- 9.5. If your Vanguard Funds can be Switched into a VMI Account and if your existing Vanguard Funds can be Switched directly from your existing account provider, we will arrange for the Shares to be transferred into the name of our Nominee, which will hold them on your behalf.
- 9.6. If a Switch of your Vanguard Funds is not possible, they must be sold to cash.
- 9.7. If you Switch more than one ISA from previous Years to us, we will place all previous Years' ISA holdings in a single VMI Account. This means that you will not be able to distinguish between your holdings from previous Years in reports or when viewing holdings.

10. Withdrawals from your VMI Account

- 10.1. You may, at any time, by giving us notice by secure message or calling us, request either a partial, or full, Withdrawal from your VMI Account.
- 10.2. When we sell Vanguard Funds, we will normally pay your Withdrawal proceeds out within 7 (seven) Business Days of receiving your instruction. For more information on settlement times visit www.vanguardinvestor.co.uk
- 10.3. We will make Withdrawal payments to the UK bank or building society account registered for your Account, or in certain circumstances return the money to your debit card. We will not make Withdrawal payments by cheque or to third parties.
- 10.4. All Withdrawal payments for Vanguard Funds, and all Withdrawal payments to your UK bank or building society, are made in sterling and it may take up to 5 (five) Business Days for the money to clear into your account following settlement of redemption of the relevant Vanguard Funds. You may select an accelerated Withdrawal payment by CHAPS, in which case a £25 charge will be deducted. If you don't give us the right bank or building society account details you are responsible for any losses, delays or costs that arise as a result.

- 10.5. If the bank (or other body) holding the money to cover your Withdrawal payments becomes insolvent and we cannot access that money, we will delay your Withdrawal payments or hold them back completely.

- 10.6. The VMI Account operates as a 'flexible ISA' under HMRC rules, meaning that certain Withdrawals that you make may be paid back in during the same Year without counting towards an annual limit. The following do not count as flexible Withdrawals and so will count towards the annual limit for the current Year if paid back into the ISA: (i) amounts withdrawn to pay our Charges; (ii) amounts removed on the instructions of HMRC; and (iii) amounts transferred to another ISA manager.

11. Transfers Out

- 11.1. If you wish to Transfer Out your Vanguard Funds directly to another service provider (who will be your new ISA manager), we will do so if your new service provider agrees.
- 11.2. If you ask to Transfer Out Vanguard Funds this will normally be arranged through your new service provider. We will transfer the whole of your holding in that Vanguard Fund. If we cannot directly Transfer Out all of the Vanguard Funds held in your VMI Account, we will sell the remaining Vanguard Funds and Transfer Out the cash proceeds to your new ISA manager, provided they agree. We will collect any money due to us from the Transfer Out amount.
- 11.3. We will process your Transfer Out no later than 30 business days following the receipt of a validated instruction to do so.
- 11.4. If we receive a dividend or other cash amount relating to Vanguard Funds held in your Account, after you instruct a Transfer Out, we will pay it into your bank or building society account, if we are unable to forward it to your new service provider. In accordance with the strict requirements set out in the FCA Rules, we will take all reasonable steps to pay all amounts to you. If we are unsuccessful in contacting you and paying you the balance we may be entitled to donate the amount to charity.
- 11.5. If you tell us that you want to Transfer Out all of your Vanguard Funds or sell all your Vanguard Funds and have the proceeds paid to you, we will suspend the management of your VMI Account so that no new transactions are made. Once any outstanding transactions are complete, we will transfer your Vanguard Funds or the cash proceeds of sale in accordance with your instructions, and your Account may be closed in line with clause 13.

- 11.6. If you Transfer Out all of the Vanguard Funds in your VMI Account to another ISA manager, we will not re-open it for replacement subscriptions during the same Year. Any replacement subscriptions should be made prior to the Transfer Out.

12. Charges

- 12.1. The Charges for the VMI Service are set out in detail in Appendix 1 of these Terms, including details of how each type of charge is collected.
- 12.2. We reserve the right to vary our fees upon giving you notice in accordance with and for any of the reasons set out in Clause 23. You agree that Charges can be rounded up to the nearest whole penny.
- 12.3. You authorise the deduction and retention of all Charges, applicable tax and reasonable expenses. All Charges are inclusive of VAT unless stated otherwise.
- 12.4. We will provide you with an annual summary of the costs and charges applicable to the VMI Service in the previous year. This summary will itemise and set out separately all third-party costs including all relevant costs incurred in respect of the Vanguard Funds. It will also provide you with an illustration showing the effect of costs and charges on the return of the investments in your VMI Account. You agree that we may provide your costs and charges statement through secure message to you.

13. Ending the VMI Service

Your right to cancel the VMI Service and close the VMI Account

- 13.1. If you change your mind, you may cancel the VMI Service and, for new Vanguard clients, close your ISA and VMI Account with immediate effect by informing us (in writing via secure message or by calling us) within 14 days from the date we served you with cancellation rights, normally this will be the date when your VMI Account (and ISA) was opened.
- 13.2. If you are a new Vanguard client, on cancellation, any investments within your VMI Account can either be sold or transferred into your name or the name of another nominee on your behalf. If investments are sold, you may get back less than you invested because of market value loss. The cancellation amount will be equal to the value of any Payments made prior to the cancellation or value of your investments at the time Vanguard sells them, whichever is lower.

- 13.3. If you have converted an existing do it yourself ISA to a VMI Account, on cancellation of the VMI Service, your VMI Account will convert back to that do it yourself ISA under the Vanguard Client Terms. Your Vanguard Funds will then be held and can be dealt with in accordance with the Vanguard Client Terms.

- 13.4. If you cancel within the cancellation period, any applicable Charges will apply until your VMI Account is closed or converted and will not be refunded.

Your right to terminate the VMI Service and close the VMI Account

- 13.5. You may end the VMI Service and close your ISA and VMI Account at any time by giving us notice in writing via secure message.

Our right to terminate the VMI Service and close the VMI Account

- 13.6. We can end the VMI Service and close your ISA and VMI Account by giving you a minimum of one month's notice, although we will always try to give more notice where reasonably practicable. In such circumstances you will have the option to keep your ISA with Vanguard through our execution-only service (unless it is unavailable) - we will discuss the implications and the process for doing so with you - or we will assist you to Transfer Out to another provider without charging you a fee should you wish to do so.
- 13.7. We may (i) in exceptional circumstances (for example, if you are abusive or threatening towards any of our staff); (ii) if we suspect on reasonable grounds that fraud has been attempted or committed on your VMI Account or consider that your VMI Account is at increased risk or fraud; or (iii) if legally required to do so, close or suspend your ISA and VMI Account or suspend the provision of certain or all services to you without giving you advance notice. This includes if your ISA has lost or will lose its tax-efficient status: if your ISA is, or will become, no longer eligible for the tax benefits under the ISA Regulations, we must 'void' it, in which case we will close your ISA and VMI Account and notify you.

What happens when the VMI Service ends?

- 13.8. Before closing your ISA and VMI Account, we will contact you to discuss the closure and the options available to you. You will have the option to keep your ISA with Vanguard through our execution-only service (unless it is unavailable) - we will discuss the implications and the process for doing so with you. We can also assist you to Transfer Out to another provider without charging you a fee should you wish to do so.
- 13.9. Until the process of closing your ISA and VMI Account is complete, these Terms will continue to apply. We shall inform you via email once your ISA and VMI Account is closed. Any transactions initiated prior to termination will be completed prior to the end of the VMI Service, but we will not initiate any further transactions. We will deduct any relevant outstanding Charges.
- 13.10. We will sell the Vanguard Funds held within your VMI Account and pay you the proceeds, along with any cash held. In accordance with the strict requirements set out in the FCA Rules, we will take reasonable steps to pay all amounts to you. If we are unsuccessful in contacting you and paying you the balance we may be entitled to donate the amount to charity. Pending payment of the proceeds, we will not pay any interest on the amount due to you.
- 13.11. If we have terminated the VMI Service under 13.6 above, and we have not been able to contact you to discuss your options before closing your ISA and VMI Account, we will stop the VMI Service and hold your Vanguard Funds until we hear from you. Any dividends or other cash amount we receive will be held in cash, and we will stop collecting any direct debit Payments (if you have a Regular Savings Plan).
- 13.12. We will complete the closure of your ISA and VMI Account as soon as we reasonably can, and we will notify you of the closure date.
- 13.13. Unless otherwise instructed by you following receipt of your termination notice, once your ISA and VMI Account is closed, these Terms will cease to apply.
- 13.14. Once we close your VMI Account you may no longer be able to access your VMI Account.
- 13.15. Once your ISA and VMI Account is closed, we will not re-open it for replacement subscriptions during the current Year. Any replacement subscriptions should be made prior to closure.

What happens to the VMI Service and VMI Account if I die?

- 13.16. If we receive notice of your death, we will suspend the VMI Service (as we will no longer have a valid investment mandate). Any dividends or other cash amount we receive will be held in cash, and we will stop collecting any direct debit Payments (if you have a Regular Savings Plan). We will hold your Vanguard Funds until we receive the sealed office copy of the grant of representation and instructions from your personal representative(s).
- 13.17. For a VMI Account of aggregate value of £35,000 or more we will hold your Vanguard Funds until we receive the sealed office copy of the grant of probate/representation and instructions from your personal representative(s). For a VMI Account of aggregate value of less than £35,000 and where eligible you may complete our small estates declaration. We will hold your Vanguard Funds until we receive the small estates declaration and instructions from your personal representative(s).
- 13.18. Your ISA will retain its tax benefits until the earlier of:
- (a) the administration of your ISA has been finalised;
 - (b) your ISA has been closed; or
 - (c) the 3rd anniversary of your death.
- Following the 3rd anniversary of your death, your ISA will lose its tax benefits.
- 13.19. If eligible, your spouse (or civil partner) may be able to claim the value of your ISA on your death as an additional permitted subscription in accordance with HMRC guidelines. Further information, including eligibility requirements and conditions specific to such a transfer and maintenance of such an account will be sent when we are notified on your death.

14. Cash

- 14.1. All cash held by us for you under these Terms will be held as client money when required under the FCA Rules. You have the right to request a statement of the cash held on your behalf at any time.
- 14.2. We will deposit any cash held as client money you pay us in one or more trust accounts with one or more authorised banks. It will be pooled together with the money of other investors. It will be held in Vanguard's name but separately from any account used to hold Vanguard's own money.

- 14.3. We will not be responsible for any actions, omissions, default or failure of a bank unless we breach the FCA Rules or fail to take reasonable care in the selection, appointment or monitoring of the bank we choose to hold your client money.
- 14.4. If a bank becomes insolvent, we will be a creditor and will claim against them on your behalf. If a bank cannot repay all of its creditors, you may have to share any loss.
- 14.5. Cash balances held on your behalf may earn interest at the rates set out [here](#). The rates are determined by reference to the interest we receive from the bank(s) we deposit your money with and the cost to us of managing cash within your Account. When payable, interest is earned daily and normally paid into your Account on the first Business Day of each month.
- 14.6. In certain circumstances we may, pending receipt of assets, hold cash of equivalent value on your behalf. This cash will be held in a client money account, separate from Vanguard money. If Vanguard became insolvent you might have a claim to this cash in addition to the assets we safeguard on your behalf.
- 14.7. In the unlikely event of our insolvency, you agree that we may, subject to the FCA Rules and other applicable regulatory requirements, transfer your client money to another firm to hold on your behalf. We would only do this where certain conditions are met to protect your interests, and you would have the option to have your money returned to you, following notice by you to the new provider. If all assets held by us are transferred following our insolvency, different regulations apply and a transfer may, in some circumstances, take place under those regulations without your consent.
- 14.8. Subject to applicable law, in certain circumstances following the insolvency of Vanguard, an appointed insolvency administrator may be entitled to utilise both your client assets and/ or your client money to cover the costs of the insolvency. You may be entitled to compensation from the FSCS up to the prescribed limits in the event that there is a shortfall in either your client assets or your client money resulting from such action.

15. Your Vanguard Funds

- 15.1. All investments held within your VMI Account will be registered in the name of our Nominee.
- 15.2. We will be responsible for the actions and any omissions of our Nominee. Investments held by our Nominee for you under these Terms will be held as client assets in accordance with the FCA Rules.

- 15.3. Investments registered in the name of the Nominee are held in an account with those of others, on your behalf. This means that you are still the beneficial owner of your Vanguard Funds, and you will have a claim over them even if we and / or the Nominee become insolvent. Your investments will not be separately identifiable from those of other investors, but we will keep a separate and up to date record of your individual entitlement. However, in the event of our insolvency and a shortfall in the pooled account at the Nominee, you would share pro rata with other investors in the amount of the shortfall.
- 15.4. The investments held cannot be used as security for a loan.
- 15.5. You have the right to request a statement of the Vanguard Funds held on your behalf at any time. We have procedures in place to carry out checks and identify any shortfall in your investments, which we will correct if we are responsible for it.
- 15.6. Documents evidencing ownership of Vanguard Funds will be held by us or as we may direct.

16. Income

- 16.1. The Vanguard Funds held within your VMI Account will be held as either accumulation or income share classes.
- 16.2. Where the Vanguard Funds held within your VMI Account are held as accumulation share classes, no income will be paid to you in respect of your holdings of Vanguard Funds in the VMI Account.
- 16.3. Where the Vanguard Funds held within your VMI Account are held as income share classes, we will make any income payments by direct transfer to your bank or building society. If for any reason we are not able to pay that income to you (for example, because the payment to your bank or building society is returned), we will notify you and seek your instructions. If we do not receive your instructions, we will credit the income to your VMI Account.
- 16.4. To the extent fractional entitlements arise from income receipts or corporate events in respect of your Vanguard Funds or where pooled client balances are held by the Nominee, these may be rounded down when allocated to you. Any residual balance due to this rounding process will be retained by us.

17. Reports and voting rights

- 17.1. We will make available to you copies of the annual reports and accounts and any other information issued to investors in the Vanguard Funds which you hold. We will also enable you to participate in meetings of investors and to exercise the voting rights attaching to your Shares in Vanguard Funds, when applicable.

18. Statements

- 18.1. We will provide you with a quarterly statement and such other statements as may be required by Applicable Regulations. The statement will provide you with the value of your investments held in your VMI Account and each of the transactions we have undertaken on your behalf during the relevant valuation period.
- 18.2. Your statement will be made available for you to view in your VMI Account. We will let you know via secure message each time a new statement is uploaded. You agree that you will access your VMI Account at least once a quarter to review your most recent statement. You have the right to request a statement at more regular intervals by contacting us as set out in Clause 4.5.

Our responsibilities to each other

19. Our responsibilities to you

- 19.1. If we are negligent, knowingly default, act fraudulently, or materially breach these Terms or Applicable Regulations (as relevant), then we are legally responsible to you for the direct results of our actions.
- 19.2. We will not be legally responsible to you:
- if you suffer a loss because the value of your Vanguard Funds falls;
 - if you suffer a loss because you fail to comply with these Terms (including, but not limited to, providing Vanguard with inaccurate or incomplete information) or with any applicable legal requirement or because of any action which we take or refrain from taking in order to ensure that we comply with any legal requirement;
 - if you suffer an indirect, special or consequential loss which is not directly related to your Vanguard Funds, or the loss of an investment opportunity;
 - if you suffer any loss or damage resulting from an external event or something else that is outside our reasonable control, or as a result of any steps which we reasonably take in response to such;
 - if you suffer a loss because you are unable to access your VMI Account or our support services whilst our online and other systems are unavailable due to maintenance or upgrade (and we may not always be able to give you advance notice when such an outage may occur);

- for the performance of any third party we engage to help us perform our functions unless otherwise in these Terms; or
- for any charges and expenses that we, or any of our agents, legitimately make or receive.

- 19.3. We take responsibility for investment of any monies we receive for the benefit of your VMI Account only when Cleared Payments are received by us. We are not responsible for any loss or delay in the payment or transfer of money to us.
- 19.4. The responsibilities in this section also apply to our Nominee. We are responsible for its actions or omissions.
- 19.5. Whilst the VMI Service aims to improve your chances of investment success, you acknowledge that all investment services and subsequent investing involve some risk, including possible loss of capital. There is no guarantee that the continued Rebalancing of your VMI Account will grow your investment. Diversification does not ensure a profit or protect against a loss and past performance is not a reliable indicator of future returns.

20. Your responsibilities to us

- 20.1. You agree to reimburse us for any liabilities suffered by us in connection with the VMI Service if they are caused by your negligence, default, fraud or breach of these Terms.
- 20.2. The information you provide to us will be used to assess the suitability of the investments we make on your behalf as part of the VMI Service and therefore you agree that all of the information you provide to us is true, accurate, reliable, up-to-date and sufficiently detailed and that Vanguard can rely on this information.

21. Your personal information

- 21.1. We are the data controller for the personal information you give us. We will not pass your personal information to anyone, other than as detailed in our Privacy Policy (which can be found at www.vanguardinvestor.co.uk).

22. Intellectual property

- 22.1. All copyright, trademarks and other intellectual property in the materials and information on our website are owned or licensed by the Vanguard Group or by external content providers. Nothing in these Terms or on the website should be regarded as granting any licence or right to or in any trademark or service mark of the Vanguard Group or any third party.

23. Changing or assigning these Terms

- 23.1. You agree to us transferring all or any of our rights and obligations under these Terms to any appropriate Vanguard Group company or any third party which is appropriately regulated and authorised under the Applicable Regulation. If we do this, we will give you at least 90 days' advance written notice of the transfer. The new provider will take on our obligations to provide the services under these Terms in our place. We will not transfer our rights and obligations to the new provider if to do so would put you in a worse position.
- 23.2. We may make reasonable and appropriate changes to these Terms at any time whilst your VMI Account is open as follows:
- to meet any current or future change in law, including rules established by the FCA or regulation, guidance or regulatory approach;
 - to make these Terms easier to understand, including to correct any inaccuracies, omissions, errors or ambiguities;
 - to take account of any reorganisation of the Vanguard Group of companies, or a transfer of rights under Clause 23.1;
 - to reflect any changes to the services which we offer under these Terms, or changes to our systems, our processes and procedures, market practice or customer requirements;
 - to reflect any changes to terms agreed between us and any third parties which are relevant to your VMI Account;
 - to increase the Charges you pay in accordance with Clause 11 (including, but not limited to, to reflect any changes to the costs that we or third parties incur); or
 - to make any other changes which we believe in good faith are reasonable provided that you are not materially disadvantaged by such changes.
- 23.3. Where we reasonably consider that changes are material or detrimental to you, we will notify you, giving you a minimum of one month's notice of the proposed changes and our reasons for making the changes.
- 23.4. The latest version of these Terms will always be available on our website at www.vanguardinvestor.co.uk.

23.5. Changes that are necessary due to reasons outside of our control (e.g. a change in legislation, regulation or tax resulting from an act of a third party) and/or which are immaterial and not to your detriment may take effect immediately and without notice.

23.6. If you are not happy with any change we make or plan to make to the Terms, you can end the VMI Service and close your VMI Account in accordance with these Terms. We will not charge you a fee for this.

24. Disputes and governing law

24.1. These Terms represent the entire agreement between you and Vanguard in relation to the VMI Service and will be governed by and construed in accordance with English law. You and Vanguard submit to the exclusive jurisdiction of the English courts to settle any disputes arising under these Terms.

24.2. Neither Vanguard nor you intend any provision of these Terms to be enforceable by any person other than ourselves or our respective permitted successors or assignees. If any provision in these Terms is held or made unlawful, void or for any other reason unenforceable by a court, statute, regulation or otherwise, the remainder of these Terms will not be affected.

Appendix 1 – Charges

Charges

You will incur four different charges as described below in respect of the VMI Service: (1) Management Fee, (2) Vanguard Account Fee, (3) Fund Costs, and (4) Interest Charges.

You will receive indicative details of the charges applicable to the VMI Service prior to your investment. Within your annual statement we will provide you with a breakdown of the actual costs and related charges incurred by you. At least once a year, we will review our assumptions and our overall cost in providing the VMI Service and may change our charges as a result. We will give you prior written notice in accordance with Clause 23 before any changes to our charges become effective. Please contact us if you have any questions.

You have the option, when you open your VMI Account or at any later time, to arrange payment of your Management Fee and the Vanguard Account Fee by direct debit from your nominated bank account. Alternatively, we may deduct the fees from available cash and, failing that, by selling Shares from fund holdings. If you leave the VMI Service and then hold your ISA through our do it yourself service, your choice on how we take fees will stay the same unless you change it. Your fees will then be dealt with under the terms and conditions applicable to the do it yourself service (including the order of your Vanguard accounts we may take fees from). Any outstanding fees that were due to us under the VMI Service will be collected in the same way. The account fee (0.15%) is capped at £375 per year.

You are not required to actively pay the Fund costs as these will be factored into the return you get.

The Interest Charges will be deducted from any cash held in your VMI Account.

Management Fee

This is what you pay in return for the provision of the VMI Service, which is the ongoing management (including Rebalancing) of your investments in accordance with the pre-built investment portfolio you have chosen.

The Management Fee is an annual charge which we accrue daily and will debit this proportionately in arrears on a quarterly basis commencing three months after the date of your acceptance of the Terms. The amount which you pay is based on the value of your VMI Account, including any cash held.

Vanguard Account Fee

This is what you pay in return for the provision of VMI Account services. These services include fund dealing (which involves aggregating investors' orders to make bulk trades), the recording of transactions and holdings, the safeguarding of your investments by our Nominee and other ancillary services. These comprise certain online services as well as the provision of access to our personal investor service representatives.

The Vanguard Account Fee is an annual charge which we accrue daily and will debit this proportionately in arrears on a quarterly basis commencing three months after the date of your acceptance of the Terms. The amount which you pay is based on the value of your VMI Account, excluding any cash held.

Fund Costs

These are costs which Vanguard incurs, as the fund manager of the underlying funds in which you are invested (in line with your pre-built investment portfolio) and are made up of ongoing charges and transaction costs. These fees are not taken from your VMI Account but are factored into the cost of the unit price and the return you get.

The ongoing charges figure (OCF) is expressed as an annual percentage of the value of a fund and includes Vanguard's charge for managing the fund and its assets as well as administrative expenses such as the fees of the independent custodian and of the registrar, and audit and regulatory expenses. Please refer to the specific Key Investor Information Document (KIID) (available on our website) for details of the OCF applicable to a fund you are invested in (in line with your pre-built investment portfolio).

In addition, the funds incur transaction costs (including when buying and selling underlying investments) and other incidental costs. These costs are included in the unit price of the relevant fund.

Interest Charge

We do not charge a service fee for holding your cash. However, we will retain an amount of the interest received from the bank(s) we deposit your money with to cover our costs of managing it (for example, the costs associated with our banking arrangements) and to enable us to continue to develop our products and services. Further information on how we manage your cash, including the applicable interest rates and how your cash is protected, can be found [here](#).

Current costs and charges associated with your VMI Account can be found on our website.

Appendix 2 – Order Execution Policy

Summary of Order Execution Policy

The purpose of this policy is to set out Vanguard's approach to providing best execution when it places trades with a third party for execution. The implementation of this policy will ensure that Vanguard obtains the best possible result for you when dealing in financial instruments.

This policy applies when Vanguard places an order for execution of a financial instrument with a third party. Where specific instructions are received from clients, this Policy will not apply. Vanguard reserves the right to refuse specific instructions.

The financial instruments covered by this policy in relation to the VMI Service are shares in UK open-ended investment companies (OEICs), units in authorised unit trusts, shares in exchange traded funds and shares in Recognised Funds, in all cases operated by Vanguard Group companies.

When placing an order with a third party for execution, Vanguard owes a duty of best execution to you, the client. This means that Vanguard will take all sufficient steps to achieve the best possible result for you. We will initially seek to obtain the best result by way of total consideration, being price and associated execution costs.

Vanguard may take into account the following factors when it places an order: price; liquidity of the market; costs of the transaction; the likelihood of execution and settlement; the need for timely execution; size of the order; nature of the financial transaction; and any other consideration relevant to the execution of the order.

Vanguard will also take into account the characteristics of the client; the transaction; financial instruments that are the subject of that transaction; and the brokers or execution venues available.

OEICs, Unit Trusts and Recognised Funds

Vanguard executes all trades in OEICs, Unit Trusts and Recognised Funds with the relevant transfer agent. Shares and units are normally available to buy and sell at only one price and from one venue, usually the relevant fund provider company itself.

Exchange Traded Funds

Vanguard places orders to buy or sell shares in ETFs with a third party for execution. Vanguard currently uses the services of Winterflood Business Services (WBS). WBS in turn executes the deal in accordance with its own order execution policy. WBS will utilise a retail service provider system to execute ETF trades placed by Vanguard. Vanguard expects WBS to obtain execution results that are at least as good as those that could reasonably be obtained from alternative stockbrokers.

Exceptions

Due to factors which are unavoidable or beyond Vanguard's reasonable control, Vanguard may from time to time execute orders in a manner that differs from the normal process contemplated by this policy. If this happens, Vanguard will still endeavour to deal with orders on the best terms available in the circumstances.

Appendix 3 – Conflicts

Summary Conflicts of Interest Policy

Introduction

The Vanguard Group is a global organisation which provides a range of different financial services. From time to time, there is a possibility that we (or another member of the Vanguard Group, or a partner firm with whom we have a business relationship (an “associate”)) may have interests which conflict with our clients’ interests, or with the duties that we owe to our clients.

These include:

- conflicts arising between our interests, our associates’ interests and our employees’ interests, on the one hand, and the interests of our clients, on the other; and
- conflicts between different clients themselves.

We have established procedures and implemented a policy designed to identify, and either to manage or, where possible, prevent such conflicts.

Our procedures include: systems and controls to ensure that different parts of our business operate sufficiently independently of each other; restrictions which are imposed on staff in relation to gifts and entertainment and personal dealing in securities; and a policy on remuneration to ensure that we do not inappropriately incentivise our directors and employees.

We do not give or receive inducements. From time to time we may receive or accept minor non-monetary benefits which can enhance the benefit to our clients and in accordance with the FCA regulations.

Identification and management or prevention of conflicts

We also keep a register listing all the types of conflict which we have identified as a risk for our business and customers, and detailing the controls to prevent or manage them to ensure there is no risk of damage to our clients’ interests.

A key part of our policy involves making sure that persons engaged in different business activities involving a conflict of interest carry on those activities separately from one another and without sharing information. In exceptional circumstances, our procedures and controls may not be sufficient to ensure that a potential conflict of interest does not damage a client’s interests and it may not be possible to prevent the conflict from arising altogether.

In such exceptional circumstances, we may be obliged:

- to inform affected clients of the potential conflict, providing full details of it to allow the client to form their own view of its significance for them. We will seek formal consent to proceed in those circumstances; or
- to inform affected clients that we cannot act because there remains an unacceptable risk of damage to their interests.

If you have further questions about our conflicts of interests procedures, you may request further information using the contact details provided in the Terms.

Appendix 4 – Definitions

Definitions

The following words and expressions have the meanings set out below:

Applicable Regulations – any rules, regulation or guidance published by the FCA, together with any other applicable rules, regulations or laws as may be applicable to your Product.

Business Day – a normal business day, excluding Saturdays, Sundays and any UK public holiday.

Charges – the charges that apply to the services we provide you with under these Terms, as set out in Clause 12.

Cleared Payment – a payment by whatever means made by you that has been received, cleared and reconciled by us.

FCA – the Financial Conduct Authority, or any other regulator that succeeds it.

FCA Rules – the FCA's Handbook of rules and guidance, as amended or replaced from time to time.

FSCS – the Financial Services Compensation Scheme.

HMRC – His Majesty's Revenue and Customs or any entity that succeeds it.

Initial Disclosure Document – the document which sets out the nature, scope and associated risks of the VMI Service.

ISA – an Individual Savings account (excluding any Junior ISA) managed under the ISA Regulations. For the purposes of these Terms the term ISA includes a Stocks and Shares ISA. When we refer to ISA we mean your Vanguard Funds and any cash balances held in your Vanguard ISA and all income and other rights, and any tax relief that you may receive on them.

ISA Regulations – the Individual Savings Account Regulations 1998 (as amended from time to time).

Nominee – a company which holds your Shares in respect of an ISA. The Nominee may be a company under our direct control or under the control of any sub-custodian which we appoint to hold your Shares on our behalf.

OEIC – an open-ended investment company based in the UK, including any sub-fund of an umbrella OEIC.

Payments – money you pay to be allocated in accordance with the Terms.

Rebalance – means adjusting your investment portfolio (by buying and selling Shares) so that it remains within the asset allocation (the mix of bonds and shares) you have accepted. We will generally look to rebalance your investment portfolio if the aggregate asset allocation moves up or down by 5% or more from the allocations you have accepted.

Recognised Fund – a fund domiciled in Ireland and recognised in the UK under applicable regulation.

Regular Savings Plan – an option which enables you to invest by means of regular monthly payments.

Shares – means units or shares in a Vanguard Fund unless it is clear from the context that we are talking about a specific type of share.

Stocks and Shares ISA – an ISA for stocks and shares holdings.

Switch – the transfer to us in relation to your ISA, of cash or investments from another ISA provider.

Transfer Out – the transfer from us of all or part of your ISA or cash or investments in your ISA to another ISA manager.

Unit Trust – an authorised unit trust scheme.

VAT – Value Added Tax.

Vanguard – Vanguard Asset Management, Limited. The term "Vanguard" also includes, where applicable, certain affiliated companies within the Vanguard Group and any company to which we might transfer our rights and responsibilities under these Terms in future (under Clause 23.1).

Vanguard Client Terms – the terms that you have with us (as amended from time to time) in relation to our self-managed (execution-only) service.

Vanguard ETF – any exchange traded fund (ETF) operated by Vanguard and made available through the Vanguard Personal Investor Platform.

Vanguard Fund – any open-ended investment company, OEIC, Unit Trust or other form of collective investment scheme (excluding a Vanguard ETF) operated by Vanguard and made available through the Vanguard Personal Investor Platform.

Vanguard Group – Vanguard and any company affiliated to Vanguard.

Vanguard Personal Investor Platform – means the digital or internet interface platform operated by Vanguard where you set up your VMI Service and/or the fund dealing and investment services (as applicable).

VMI Account – an account with Vanguard that you have designated to be part of the VMI Service. A VMI Account may only be an ISA.

VMI Service – means the Vanguard Managed ISA Service.

We, our or us – Vanguard.

Withdrawal – the withdrawal (subject to these Terms) by, and transfer to you of cash from your VMI Account.

Year – a tax year beginning on 6 April in any calendar year and ending on 5 April in the following calendar year.

You, your or yourself – the person who does business with us under these Terms, including your personal representatives, your authorised representatives or agents.

These Terms are issued by Vanguard Asset Management, Limited which is authorized and regulated by the Financial Conduct Authority. Registered in England and Wales. VAT number 100127685

© 2024 Vanguard Asset Management, Limited. 363_0224

Connect with Vanguard™

global.vanguard.com

Vanguard®