

# Important Information – Your Relationship with SEI Investments (Europe) Ltd

**SEI** New ways.  
New answers.®

This document contains certain information that SEI Investments (Europe) Ltd (“SEI”) is required to provide to you in its role as administrator and custodian of the investments and money held in your *[Insert Name of Firm]* account. More detailed information about the services that SEI provides to you can be found in the enclosed SEI Custody Terms (“Custody Terms”).

Please read this document and the Custody Terms carefully prior to signing the *[Insert Name of Firm]* Agreement and contact your *[Insert Name of Firm]* adviser if you have any questions.

## 1. GENERAL INFORMATION

### 1.1 What is SEI’s relationship with *[Insert Name of Firm]* and you?

*[Insert Name of Firm]* has entered into an agreement with SEI whereby *[Insert Name of Firm]* has arranged for SEI to provide safe custody, administration and other associated services for *[Insert Name of Firm]* clients. *[Insert Name of Firm]* entered the agreement as your agent and so there is a direct relationship between you and SEI which is governed by the enclosed Custody Terms.

Upon entering into the *[Insert name of Firm End Client Agreement]*, you are legally bound by the Custody Terms and become a client of SEI in relation to the services provided under those Terms. SEI will be responsible for complying with the regulatory requirements relating to the Custody Terms and will treat you as a retail client giving you the highest level of regulatory protection available. *[Insert Name of Firm]* will retain regulatory responsibility for all other aspects of the services provided to you including the provision of investment advice, discretionary investment management and the execution of any trades carried out on your behalf.

### 1.2 How is SEI regulated?

SEI is authorised and regulated by the Financial Conduct Authority (“FCA”). SEI’s Firm Reference Number is 191713. You can find more detailed information on SEI’s regulatory status on the FCA Register which is accessible at [www.fca.org.uk/register](http://www.fca.org.uk/register). The FCA is located at 25 The North Colonnade, Canary Wharf, London, E14 5HS. Further contact details for the FCA can be found at [www.fca.org.uk](http://www.fca.org.uk).

### **1.3 Will SEI communicate with you directly?**

All of SEI’s communications with you will be through [*Insert Name of Firm*] (unless SEI is obligated to do otherwise by the FCA). All communications will be in English.

### **1.4 Will you receive Statements from SEI?**

As your Custodian SEI is obligated to provide you with a periodic Custody Statement of the investments and money that SEI holds for you. SEI will provide this at least once a year either as part of the [*Insert Statement Name*] provided by [*Insert Name of Firm*] or as a standalone Custody Statement.

If you have opted to receive your Statements in electronic format, SEI will facilitate the provision of an electronic Statement via [*Insert Name of Firm*] who will be able to provide more detail on how this will be made available to you upon request. In these circumstances, SEI will not provide you with an additional paper copy.

### **1.5 What are SEI’s complaint handling procedures?**

If you wish to make a complaint in relation to services provided by SEI, please refer it to [*Insert Name of Firm*] in the first instance. [*Insert Name of Firm*] will then arrange for it to be forwarded to SEI.

Additionally, if you wish to send a copy of a complaint to SEI directly, copies should be sent to:

The Compliance Officer

SEI Investments (Europe) Ltd

PO Box 73147

Alphabeta

2 Worship Street

London

EC2P 2PZ

SEI has a written procedure which is designed to ensure appropriate consideration and proper handling of complaints. Details of the procedure are available upon request and SEI will automatically send a copy when responding to complaints. If you are not satisfied with the manner in which SEI handles a complaint, you may be entitled to refer the matter to the Financial Ombudsman Service (“FOS”). Further information and contact details for the FOS are available on their website at: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).

### **1.6 What fees does SEI charge for the services that it provides to you?**

The services provided to you by SEI are part of a broader suite of services provided to [Insert Name of Firm] and SEI receives a bundled fee from [Insert Name of Firm] directly in relation to these services. [Insert Name of Firm] may charge you a fee which incorporates the services provided by SEI.

Please note that SEI may retain some of the interest earned in client money bank accounts. See section 2.6 below for further details on when this may occur.

## **2. CLIENT MONEY**

### **2.1 What are client money bank accounts and how do they operate?**

Money in your [Insert Name of Firm] account will be held by SEI as client money in accordance with the FCA rules. These rules require SEI to hold your money in “client money” bank accounts which are established with statutory trust status. This means that money held within the accounts is recognised by the bank as belonging to clients of SEI rather than SEI itself. In this way SEI holds your money as a trustee.

SEI further segregates all client money bank accounts from any bank accounts holding money belonging to SEI by arranging for the client money bank accounts to be named in a manner which makes it clear that the money held within the accounts is for the benefit of clients and not SEI.

## **2.2 How does SEI choose where it holds your money?**

Client money is currently deposited in UK client money bank accounts at HSBC Bank plc and may then be subsequently deposited into client money bank accounts at a range of other banks chosen by SEI. The spreading of client money across a number of banks is designed to help reduce the risk of client money being lost in the event of any one bank failing.

SEI may deposit your money in a bank outside of the UK where deemed prudent to do so. In such circumstances, it is important to note that such banks will be subject to a different legal and regulatory regime from that of UK banks and the rights and protections afforded to you under the FCA rules will not be available to you. For example, the client bank accounts may not be established with trust status and your money may be treated differently in the event of a bank failure than it would be if it was held with a UK bank.

SEI is responsible for exercising reasonable care and due diligence in the initial selection and ongoing monitoring of all banks where client money is deposited with the security of your money being SEI's primary consideration. However, SEI will not be responsible for any acts, omissions or failure of the banks.

## **2.3 What protections are in place for the client money bank accounts in the event of the failure of a UK bank?**

If any of the UK banks chosen by SEI fail and cannot return your money, you may be eligible to claim compensation under the Financial Services Compensation Scheme ("FSCS"). The current compensation limit is £75,000 per eligible claimant, per bank and the limit covers all money held with the bank whether through SEI or directly. Full details of the arrangements under the FSCS are available on their website at [www.fscs.org.uk](http://www.fscs.org.uk).

It is important to note that if one of the banks fails, your money will be pooled with money held in client bank accounts for other SEI clients and you will have a claim against the common pool of money rather than a claim against a specific sum in a specific account. As a result, any

shortfall in the client bank accounts will be shared pro-rata between all SEI clients.

#### **2.4 Does SEI have any rights in relation to your money?**

In the event that you owe a debt to SEI in relation to services SEI has provided under the Custody Terms, SEI may use any of the money held for you to pay off or reduce that debt.

#### **2.5 Can SEI pay fees that you owe to *[Insert Firm Name]* from a client money bank account?**

Under the Custody Terms, you have permitted SEI to collect and pay fees that you owe to *[Insert Firm Name]* from money held for you in a client money bank account.

#### **2.6 Will you earn interest on money held in the client money bank accounts?**

Money held in sterling in your *[Insert Name of Firm]* account will earn interest at a rate of 0.40% below Bank of England base rate. No interest will be earned on money held in foreign currencies. Interest is calculated on a daily basis and will be credited to your account gross every month. The interest rate you receive is subject to change at SEI's discretion. You can find the current rate on *[the Name of Firm proprietary website AND/OR your Custody statement – delete as applicable]*. The Bank of England base rate is also subject to change – information on the current rate is available at [www.bankofengland.co.uk](http://www.bankofengland.co.uk).

Please note that the interest earned in the client bank accounts may sometimes be higher than the rate that you earn in your account and SEI will retain any difference. Further information about the circumstances in which a difference may arise is available upon request.

### **3. CUSTODY**

#### **3.1 Where are your assets held?**

SEI is responsible for the holding the assets within your *[Insert Name of Firm]* account in safe custody. Your assets are held in the name of SEI Global Nominee Ltd on behalf of you as a client of *[Insert Name of Firm]*.

#### **3.2 Who is SEI Global Nominee Ltd? What role do they play?**

SEI Global Nominee Ltd is used to assist in ensuring all client assets are segregated from the assets of SEI. SEI Global Nominee Ltd is a Nominee Company which is used by SEI as it has no material liabilities and is a separate entity from SEI. Therefore your assets would not be available to an administrator or liquidator of SEI, or its parent company, SEI Investments Company, in the event that bankruptcy proceedings against SEI should ever occur.

### **3.3 Are there any other Custodians holding your assets?**

SEI may use a number of third party custodians (also known as sub-custodians) to administer and hold some of your assets.

SEI will be responsible for exercising reasonable care and due diligence in the initial selection and ongoing monitoring of the sub-custodians but will not be responsible for any acts, omissions or failure of the sub-custodians.

In certain circumstances, SEI may select a sub-custodian outside of the UK where deemed prudent to do so. In such circumstances, it is important to note that that such sub-custodians will be subject to a different legal and regulatory regime from that of the UK and the rights and protections afforded to you under the FCA rules may not be available to you. For example, there may be different practices for the separate identification of your assets which may result in them being subject to third party claims in the event of the failure of the sub-custodian.

### **3.4 How does SEI protect your assets?**

All custody accounts are operated in accordance with the applicable FCA rules. Under these rules, SEI is required, amongst other things, to make adequate arrangements to safeguard your ownership rights and to prevent the use of your assets for SEI's own account. SEI has put procedures in place designed to meet the following obligations:

- records and accounts are kept as necessary to enable SEI to distinguish assets held for one client from the assets held for any other client and from SEI's own assets; and
- reconciliations are made to SEI's own internal accounts and records and those of any sub-custodians with whom your assets are held

All client assets will be held in omnibus accounts by SEI Global Nominee Ltd. This means that SEI Global Nominee Ltd will pool your assets with the assets of other clients and therefore

your individual entitlements may not be identifiable by separate certificates or physical documents of title. In the event of a shortfall in the accounts following a default of SEI Global Nominee Ltd or a sub-custodian, you may not receive your full entitlement and may share any losses pro-rata with other clients.

### **3.5 What compensation is available to you in the event of the failure of SEI in its role as Custodian?**

In the event that SEI is unable to meet any of its liabilities, compensation may be available to you under the Financial Services Compensation Scheme (“FSCS”). The current compensation limit in relation to investment business is £50,000 per eligible claimant. Full details of the arrangements under the FSCS are available as outlined above.

## **4. CONFLICTS OF INTEREST**

### **4.1 How does SEI identify conflicts of interest?**

When trying to identify a conflict, SEI takes into account (at a minimum) whether SEI (and/or any Directors, officers, employees or any person directly or indirectly linked to SEI):

- is likely to make a financial gain, or avoid a financial loss, at the expense of the client;
- has an interest in the outcome of a service provided to a client or of a transaction carried out on behalf of a client, which is distinct from the client's interest in that outcome;
- has a financial or other incentive to favour the interest of another client or group of clients over the interests of a different client or group of clients;
- carries on the same business as its client(s); or
- receives or will receive from a person other than its client(s), an inducement in relation to a service provided to its the client(s), in the form of monies, goods or services, other than the standard commission or fee for that service.

### **4.2 How does SEI manage conflicts of interest?**

SEI is obligated to manage conflicts of interest fairly, both between itself and its clients and between one client or group of clients and another client or group of clients. SEI has both a

Conflicts of Interest Policy and other Compliance Policies intended to operate, monitor and maintain effective organisational and administrative arrangements with a view to taking all reasonable steps to prevent conflicts of interest.

**4.3 What happens if SEI is unable to manage conflicts of interest through usual procedures?**

Whilst SEI makes every effort to ensure that all reasonable steps are taken to prevent conflicts of interest, in certain situations, a conflict may arise.

If SEI is unable to manage conflicts through its Compliance Policies SEI may disclose the nature and/or source of conflicts of interest with and between its clients or may refuse to enter, or be forced to terminate, a relationship.

Further information regarding SEI's Conflicts of Interest Policy is available upon request.