

Client Asset Key Information Document



INTRODUCTION

Computershare Investor Services (Ireland) Limited ('CISIL' or 'the Firm') is authorised and regulated by the Central Bank of Ireland as an investment firm.

CISIL is responsible for safeguarding and administering client assets from the time they are received by CISIL until the time that they are transferred to you or to a relevant third party at your request. In doing so, as an investment firm authorised by the Central Bank of Ireland CISIL must comply with the Client Asset Requirements.

This document is intended to provide you with important information in relation to how client assets are held by CISIL. This document is not marketing material. The information provided is required by law to help you understand how and where your assets may be held and the associated risks, along with the processes and controls put in place by the Firm to mitigate those risks.

LEGAL AND REGULATORY BACKGROUND

The Central Bank of Ireland ("the CBI") is responsible for the regulation of financial services activities in Ireland.

The protection of client assets is a key priority of the CBI. Deficiencies in client asset systems and controls can have serious consequences for clients and may result in the misuse, misappropriation or loss of client assets or delays in returning client assets in the event of an investment firm's failure. Deficiencies in client asset operational arrangements may also result in reputational damage to the Irish financial market.

The purpose of the CBI's client asset regime is to protect client assets by ensuring investment firms adhere to the general principles and prescriptive requirements. The objectives of the CBI's client asset regime are to:

- maintain public confidence in the financial system;
- minimise the risk of loss or misuse of client assets by investment firms; and,
- in the event of the insolvency of an investment firm, enable the efficient and cost effective return of those assets to clients.

The European Union (Markets in Financial Instruments) Regulations 2017 (S.I. No. 375 of 2017) ('the MiFID Regulations'), including European Commission Delegated Regulations, impose requirements on investment firms in relation to safeguarding client assets. The full text of the MiFID Regulations is available on the CBI website at the following link:

- [MiFID Legislation](#)

The Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Investment Firms) Regulations 2023 (S.I. No. 10 of 2023) ('the Investment Firm Regulations' or 'the Regulations') build on the MiFID Regulations, taking into account the specific risks to investor protection and market integrity which are of particular importance given the structure of the Irish market. The Client Asset Requirements are contained in Part 6 of the Investment Firms Regulations. The full text of the Investment Firm Regulations is available on the CBI website at the following link:

- [Client Asset Legislation](#)

The Central Bank has also issued guidance, which may be updated from time to time, to assist investment firms in interpreting and complying with the Regulations. The full text of this guidance is available on the CBI's website at the following link:

- [Client Asset Guidance](#)

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Clients should be aware that the Central Bank's client asset regime seeks to protect clients' ownership of their assets but not the inherent value of those assets and that the value of investments may fall as well as rise.

THE KEY FEATURES OF THE CLIENT ASSET REQUIREMENTS ('CAR')

The CAR are set out under the following seven headings which the CBI regards as the core client asset principles:

- 1. Segregation:** An investment firm should physically hold, or arrange for the holding of, client assets separate from the investment firm's own assets and maintain accounting segregation between the investment firm's own assets and client assets.
- 2. Designation and Registration:** An investment firm should ensure that client assets are clearly identified in its internal records and in the records of third parties. The client assets must be identifiable and separate from the investment firm's own assets.
- 3. Reconciliation:** An investment firm should keep accurate books and records to enable it at any time and without delay to provide an accurate record of the client assets held by the investment firm for each client and the total held in the client asset account. An investment firm should conduct a reconciliation between its internal records and those external records of any third party with whom client assets are held.
- 4. Calculation:** An investment firm should ensure that the aggregate balance on its client asset accounts as at the close of business on the previous working day is equal to the amount it should be holding on behalf of its clients.
- 5. Client Disclosure and Client Consent:** An investment firm should provide information to its clients in a way that informs the client on how and where their client assets are held and the resulting risks thereof.
- 6. Risk Management:** An investment firm should ensure it applies systems and controls that are appropriate to identify risks in relation to client assets and should put in place mitigants to counteract these risks.
- 7. Client Asset Examination:** An investment firm should engage an external auditor to report at least on an annual basis on the investment firm's safeguarding of client assets.

WHAT ARE CLIENT ASSETS?

Client assets are defined in the Investment Firm Regulations and include client funds and client financial instruments. A definition of both is provided below:

- **Client Funds** means any money, to which a client is beneficially entitled, received from or on behalf of a client or held by CISIL on behalf of a client. This is primarily money held in a designated client asset account on behalf of clients to whom CISIL provides a regulated financial service.

It may be the case that money received by CISIL is comprised partly of client funds and partly of other monies that are not client funds (e.g. commission due to CISIL). In this case, the client asset regime will only apply to the monies received that are deemed to be client funds.

- **Client Financial Instruments** means financial instruments such as stock or shares which are held by CISIL on behalf of a client. This includes any claim, right or entitlement relating to or in respect of a client financial instrument.

Clients should be aware that the above examples are not exhaustive and if CISIL is in doubt as to whether something is a client asset or not, CISIL will be prudent in its approach and will endeavour to act in the best interest of its clients.

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WHAT PRODUCTS AND SERVICES DOES CISIL OFFER?

CISIL holds client assets in respect of its employee share plans business as set out below:

CISIL Product/Service	Regulated Activity	Related Client Assets
Employee Share Plan Administration: This is a service that CISIL offers to corporate clients which enables them to operate and administer different types of employee share plan arrangements e.g., Approved Profit Sharing Schemes (APSS). The share plan arrangement enables employers and employees to combine contributions to buy shares, which are held for the employee under the share plan terms. To support these services CISIL usually provides a trustee arrangement via Computershare Trustees (Ireland) Limited ("CTIL") or a group affiliated trustee to hold shares in trust for the participating employees. Under these arrangements, CTIL (or such other group affiliated trustee) is the legal owner of the shares held in the plan.	Not applicable	Not applicable
Share Plan Account ("SPA"): CISIL offers a limited purpose securities account for participants in a corporate client's employee share plan arrangement (e.g., Employee Stock Purchase Plans) which enables them to hold and sell their employee share plan related shares. The SPA allows employee shareholders to hold their vested shares or entitlements subject to restrictions in dematerialised form in the local securities market where the Issuer Client shares are listed. When CISIL provides the SPA either a Computershare nominee or a third party sub-custodian with whom CISIL contract, holds legal title to the shares as bare trustee and the employee shareholder retains the beneficial interest. Accordingly, with respect to the SPA, CISIL performs safekeeping and administration of financial instruments on behalf of the participant.	Safekeeping and administration of financial instruments	Shares held in the SPA (Client Financial Instruments) and associated cash management activities (Client Funds)
Plans Share Dealing Service (Purchases): CISIL offers a share dealing service which enables the purchase of shares connected to the award of securities under a relevant employee share plan arrangement (e.g., Approved Profit Sharing Schemes). As part of this service, CISIL receives the instruction from the trustee or corporate client and arranges for the purchase of the relevant shares by transmitting the order for execution in the market.	Reception and transmission of orders. Safekeeping and administration of financial instruments	Purchase contributions (Client Funds) Shares held during settlement (Client Financial Instruments)
Employee Share Dealing Service (Sales): CISIL offers employee share plan participants of corporate clients with a share dealing service which enables them to sell shares accumulated through various employee share plan arrangements (e.g., Approved Profit Sharing Schemes). As part of this service, CISIL receives the instruction from the participant and arranges for the sale of the relevant shares by transmitting the order for execution in the market.	Reception and transmission of orders. Safekeeping and administration of financial instruments	Sale proceeds (Client Funds) Shares held during settlement (Client Financial Instruments)

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CISIL offers a range of other products and services to corporate clients which are not in scope of CAR, these are:

1. **Issuer Services**, comprising share register maintenance, corporate actions, dividends, stakeholder relationship management, corporate governance, and related services;
2. **Tax Services**, comprising register inspection and copying services, payment and administration of Irish stamp duty and dividend withholding tax ("DWT"), and acting as a qualified intermediary.

WHEN DOES CAR APPLY AND NOT APPLY?

The CAR apply to an investment firm when it holds client assets i.e. when the assets are received by the investment firm.

Client assets may cease to be client assets where:

- they are paid, or transferred, to the client, whether directly or into an account with an eligible bank or relevant party in the name of the client (not being an account which is also in the name of the investment firm). For example, CISIL will transfer the proceeds resulting from a share sale to the participant's own bank account via electronic transfer, at which point the proceeds will cease to be client assets; or,
- they are paid, or transferred, to a third party on the written instruction (not required where client assets are passed for settlement within CREST or other settlement systems) of the client and are no longer under the control of the investment firm.

The CAR will not apply in the following circumstances:

- Where assets are received on behalf of a client that relates to a product or service which is not a regulated financial service. For example, where CISIL receives monies on behalf of a corporate issuer client for the purpose of paying dividends to the shareholders of that client; or
- Where monies are due and payable to a third party. For example, where money is withheld or deducted for tax purposes.
- Where monies are due and payable to CISIL itself for the services provided. For example, where commission fees are due and payable to CISIL.

Clients should be aware that the above examples are not exhaustive and if CISIL is in doubt as to whether the client asset regime applies or not, CISIL will be prudent in its approach and will endeavour to act in the best interest of its clients.

HOW ARE CLIENT ASSETS HELD?

CLIENT FUNDS

Client funds are held in third party bank accounts in the name of CISIL that are designated as client asset accounts in accordance with CAR.

Where CISIL receives monies which are comprised of a mixture of client funds and other monies, CISIL shall first pay all of the monies into the client asset account and subsequently withdraw the other monies.

Where CISIL receives monies and it is unclear it is client funds, CISIL shall first pay the monies into the client asset account until such time as they are confirmed not to be client funds.

A list of the third parties with whom client funds are held is set out in Appendix 1.

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CLIENT FINANCIAL INSTRUMENTS

Client Financial instruments are held in dematerialised form in third party custodian accounts in the name of CISIL that are designated as client asset accounts in accordance with CAR.

Clients shall remain the beneficial owners of those financial instruments, even though a Computershare nominee or a company independent of the Computershare Group (such as the nominated custodian) may be registered as the legal owner.

A list of the third parties with whom client financial instruments are held is set out in Appendix 1.

POOLED CLIENT ASSET ACCOUNTS

CISIL may pool client assets in an omnibus account. An omnibus account is a client asset account in which client assets relating to more than one client are held. Clients shall remain the beneficial owners; however their entitlement will not be identifiable by separate share certificates or other physical or electronic records of title. As a result of certain of our other clients also beneficially owning client assets held in the omnibus account, some clients may be exposed to settlement risks arising from the transactions of such other clients. In the event that CISIL, or a third party bank or custodian appointed by CISIL, becomes insolvent, any shortfalls in the omnibus accounts will most likely be pro-rated with all other participants in the relevant omnibus accounts, and clients may not recover all of their assets.

CLIENT ASSETS HELD OUTSIDE OF IRELAND

CISIL may hold client assets with a third party bank or custodian established in Ireland, the European Economic Area ("EEA"), or a third country state i.e. a country outside the EEA. Where CISIL holds client assets in a third country state, the legal and regulatory regime may differ and your rights relating to those client assets may differ accordingly in the event that CISIL, or a third party bank or custodian appointed by CISIL, becomes insolvent.

WHAT ARE THE KEY RISKS AND CONTROLS ASSOCIATED WITH HOW CLIENT ASSETS ARE HELD BY CISIL?

KEY RISKS

Specific risks in relation to the safeguarding of client assets are set out in the Client Asset Risk Matrix maintained by the CISIL Client Asset Oversight function and the Head of Client Asset Oversight. These include:

- Failure to identify products/services which give rise to client assets;
- Failure to process client asset related transactions completely, accurately and in accordance with authorised instructions;
- Failure to ensure that client asset accounts are clearly identified as such and distinguishable from the firm's own accounts;
- Failure to ensure that client assets are deposited with an authorised third party account;
- Failure to ensure third parties with whom client assets are held can continue meeting their obligations to the firm;
- Failure to record client assets in the firm's internal books and records completely and accurately;
- Failure to hold sufficient client assets in order to meet the firm's obligations to clients;
- Failure to ensure that information regarding client assets is provided to clients completely, accurately and in a timely manner;
- Failure to ensure that client consent is obtained in relation to how client assets are treated and held by the firm;
- Failure to comply with regulatory requirements related to client assets;
- Failure to ensure outsourced client asset functions meet the service quality standards establish in the Service Level Agreement; and,
- Failure to ensure that documents and records in respect of client assets are retained in accordance with CAR.

Various other risks which are not outlined above may also apply.

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Clients should be aware that although the purpose of the CAR is to regulate the holding of client assets, it can never fully eliminate all risks to client assets.

KEY CONTROLS

CISIL looks to mitigate the above risks through its implementation of appropriate governance and risk management policies and controls. Specific measures include:

Segregation:

CISIL is committed to segregating client assets and holding them separately in designated client asset accounts for the benefit of the client for whom the assets are held. All client assets are deposited directly into a designated client asset account via electronic transfer. The immediate segregation of client assets aims to ensure that client assets are promptly identified and safeguarded in accordance with CAR.

Where, in accordance with an authorised instruction from a client, client assets are transferred out of the client asset environment, that transfer is overseen and approved by a member of staff other than the staff member who prepared the transfer in order to ensure that transfers are processed completely and accurately.

CISIL will not use client assets for any other purpose other than for the sole account of the client, except in accordance with a legally enforceable agreement.

Designation and Registration:

Regulated accounts which hold Client Funds or Client Financial Instruments are designated as "client asset accounts" in accordance with CAR.

CISIL only permits the opening of accounts which are defined by a matrix of available accounts. The matrix provides a description identifying the correct use, regulatory status, and naming conventions for each account type. This ensures that client asset accounts are clearly identified as such and distinguishable from the firm's own accounts.

A funds and/or financial instruments facilities agreement is obtained for each third party which sets out the terms under which client assets are held in accordance with CAR.

Prior to the initial deposit of client assets in a client asset account, a written confirmation is obtained from the third party outlining the account details, including the account designation, and the relevant conditions applicable to the account.

CISIL carries out initial and ongoing due diligence reviews on third parties with whom client assets are held.

Reconciliation:

CISIL maintains accurate books and records to enable it at any time, and without delay, to provide an accurate record of the client assets held by it for each client and the total held in the client asset account.

Client asset reconciliations are performed on a daily basis for both client funds and client financial instruments. The primary purpose of these reconciliations is to identify any reconciliation differences which could:

- be an indication of inaccurate books and records with respect to the client assets held by CISIL; and/or,
- be an indication of a surplus or shortfall in the client asset accounts.

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The CAR specifies that any reconciliation differences identified through the reconciliations process must be investigated within one working day of the reconciliation date and resolved as soon as practicable.

Calculation

CISIL calculates on a daily basis whether the client assets deposited with a relevant third party (resource) equals the client funds / client financial instruments requirement, as reflected in CISIL's books and records. Where a surplus exists (i.e. the resource exceeds the requirement), the firm will remove the surplus from the client asset account and conversely where a deficit exists (i.e. the resource is less than the requirement), the firm will make good the shortfall. Where a material surplus or deficit occurs the firm has an obligation to report this to the CBI.

Disclosure and Consent

Terms and conditions have been prepared containing the required disclosures in accordance with CAR. Clients are presented with a copy of Terms and Conditions, together with this CAKID, at the outset of the business relationship to ensure that consent is obtained prior to undertaking any regulated activities on the client's behalf and whenever the Terms and Conditions and/or this CAKID are updated.

Risk Management

CISIL has appointed a Head of Client Asset Oversight who is responsible for ensuring the firm complies with its obligations under the regulations. In addition, CISIL has adopted a Client Asset Management Plan ("CAMP"). The CAMP is drafted in accordance with the CAR and documents CISIL's business model and related risks in respect of the safeguarding of client assets and the controls in place to mitigate these. The CAMP is reviewed and updated at least annually or more frequently if there is a change to CISIL's business which affects the way in which client assets are held.

Client Asset Examination

CISIL has engaged an external auditor to report on the Firm's safeguarding of client assets. The external auditor provides an assurance report with regard to specific matters which are established in the CAR. The assurance report is reviewed by the CISIL Board of Directors and submitted to the CBI on at least an annual basis.

ADDITIONAL CLIENT ASSET PROTECTIONS

In the unlikely event of loss of your assets due to CISIL, or a third party bank or custodian appointed by CISIL, becoming insolvent there are several external protections that offer varying limits of protections to clients.

DEPOSIT GUARANTEE SCHEME

Under EU legislation, a European wide Deposit Guarantee Scheme ('DGS') is available to individuals who place deposits with banks authorised as Credit Institutions. The DGS operates based on the jurisdiction of the bank; therefore client funds held by CISIL may be subject to protections schemes applicable in the Republic of Ireland but also to other EU jurisdictions where client funds are held outside of Ireland.

The DGS offers protection up to €100,000 per individual (this €100,000 limit is applicable throughout the EU and does not vary). Further details on the scheme are available from the DGS website at the following link: www.depositguarantee.ie

INVESTOR COMPENSATION SCHEME

CISIL is a member of the Investor Compensation Scheme. This scheme is designed to provide a level of compensation to eligible investors should an investment firm become insolvent. Clients will have a right to compensation if they qualify as an eligible investor; and if CISIL is unable to return the assets that clients are owed and if the clients' losses are recognised by the Investor Compensation Company ("ICCL").

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The amount of compensation that clients may receive will be 90% of the net amount lost or €20,000, whichever is less. Full details of the Investor Compensation Scheme are available from the ICCL website at the following link: www.investorcompensation.ie

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APPENDIX 1: LIST OF THIRD PARTIES WITH WHOM CLIENT ASSETS MAY BE HELD

Clients should be aware that the list of third parties with whom client assets may be held is subject to change over time.

CISIL conducts periodic due diligence on third parties holding client assets and exercises due skill, care, and diligence in their selection and appointment.

Trading Name	Registered Address	Internet Address
ALLIED IRISH BANKS PLC	10 MOLESWORTH STREET, IRELAND, DUBLIN 2, DUBLIN	https://aib.ie/
BANK OF AMERICA	100 NORTH TRYON STREET, CHARLOTTE, NC 28202, USA	https://business.bofa.com/
BANK OF IRELAND GROUP PLC	40 MESPIL ROAD, DUBLIN 4, DUBLIN, D04C2N4, IRELAND	https://www.bankofireland.com/
BARCLAYS BANK IRELAND PLC	ONE MOLESWORTH STREET, DUBLIN 2, DUBLIN, D02RF29, IRELAND	https://www.barclayscorporate.com/
BARCLAYS BANK PLC	1 CHURCHILL PLACE, LONDON, E14 5HP, UNITED KINGDOM	https://www.barclayscorporate.com/
CITIBANK EUROPE PLC	1 NORTH WALL QUAY, DUBLIN 1, DUBLIN, D01T8Y1, IRELAND	https://www.citi.com/
CITIBANK NA	388 GREENWICH STREET, NEWYORK, NY 10013, USA	https://www.citi.com/
COMPUTERSHARE TRUST COMPANY, N.A.*	150 ROYALL STREET, CANTON, MASSACHUSETTS, 02021, USA	https://www.computershare.com/us
HSBC CONTINENTAL EUROPE	38 AVENUE KLÉBER, 75116 PARIS, FRANCE	https://www.hsbc.fr/en-fr/
SKANDINAVISKA ENSKILDA BANKEN AB	KUNGSTRADGARDSGATAN 8, STOCKHOLM, V7, 106 40, SWEDEN	https://sebgroup.com/
THE ROYAL BANK OF SCOTLAND PLC	36 ST ANDREW SQUARE, EDINBURGH, EH2 2YB, UNITED KINGDOM	https://www.rbs.co.uk/

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