



## CLIENT ASSET KEY INFORMATION DOCUMENT

This document provides you with key information in relation to how your assets will be held by Computershare Investor Services (Ireland) Limited. This document is not marketing material. The information is required by law to help you understand how and where your assets will be held and the resulting risks arising from that, along with the procedures in place in order to mitigate those risks.

### An explanation of the Client Asset Requirements ('CAR')

Computershare Investor Services (Ireland) Limited ('CISIL') is authorised by the Central Bank of Ireland (the Central Bank) as an investment firm under the Markets in Financial Instruments Directive ('MiFID').

As an authorised MiFID investment firm, CISIL is required to comply with the Client Asset Requirements ('CAR') pursuant to the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Investment Firms) Regulations 2017 (SI 604 of 2017) (the 'Regulations'). Furthermore, the Central Bank has issued a separate guidance document to assist investment firms in complying with the Regulations. In relation to client assets, CISIL is therefore required to adhere to the obligations imposed by both the Regulations and the guidance. A copy of the Regulations and the Central Bank's guidance document is available on the Central Bank's website at the following links:

[Client Asset Regulations](#)

[Client Asset Guidance](#)

In general, the purpose of the client asset regime is to safeguard client assets by ensuring investment firms adhere to general principles and prescriptive requirements in this regard. The objectives of the client asset regime are to: (1) maintain public confidence in the financial system; (2) minimise the risk of loss or misuse of client assets by investment firm by having stronger systems and controls in place to protect the ownership rights of clients; and (3) in the event of the insolvency of an investment firm, enable the efficient and cost-effective return of those assets to clients.

There is no minimum investment amount required for the Regulations to apply.

### An explanation of what constitutes client assets

Under the CAR client assets consist of both client funds and client financial instruments. A definition of both is provided below:

Client funds means:

*"any money, to which the client is beneficially entitled, received from or on behalf of a client or held by the investment firm on behalf of a client and includes (without limitation) -*

- (a) client funds held by or with a nominee, and*
- (b) in the case of money that is comprised partly of client funds and partly of other money, that part of the money that is client funds, but does not include money that an investment firm -*
  - (i) receives from or on behalf of the client, or*
  - (ii) owes to or retains on behalf of the client*

*and which relates exclusively to an activity of the investment firm which is not a regulated financial service"*

Client financial instruments means:

*"financial instruments as defined in Regulation 3(1) of the MiFID Regulations (European Communities (Markets in Financial Instruments) Directive 2017 (S.I. No. 375 of 2017)) or investment instruments as defined in section 2(1) of the Investment Intermediaries Act 1995, which is held by an investment firm on behalf of a client and includes, without limitation, any -*

- (a) client financial instrument that is held with a nominee, and*
- (b) claim relating to, or a right in or in respect of a financial instrument"*

Computershare Investor Services (Ireland) Limited are authorised in Ireland and regulated by the Central Bank Of Ireland.

This Client Asset Key Information Document is accurate as at 25 October 2022.

## The key features of the CAR

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

### 1. Segregation

CISIL is required to hold client assets separately from its' own assets and to maintain accounting segregation between its' own assets and client assets. This means that at all times client assets will not be classified as belonging to CISIL and will be held in a designated client asset account. Ownership of these assets can therefore be clearly identified and, in the event of CISIL's insolvency, can be returned to the client. Client assets held by CISIL will only be held and used for the purpose directed by the individual client. Monies which do not relate to a regulated service will not be lodged to a client asset account.

### 2. Designation and Registration

CISIL is required to ensure that client assets are clearly identified in its internal records and in the records of third parties with whom client assets are held.

In this regard, before opening a third party client asset account, CISIL is required to enter into a Facilities Agreement with the third party (i.e. a bank or a custodian). This agreement sets out the terms under which the client assets are to be held.

CISIL is also required to verify that each third party client asset account opened by the firm is correctly designated as a third party client asset account in the records of the third party within one working day of the initial deposit of client assets.

In addition, the third party is required to confirm, in writing, that the account is set up in accordance with the Facilities Agreement and the CAR.

CISIL carries out due diligence reviews on third parties at annual intervals.

### 3. 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.

In addition, CISIL performs a daily reconciliation between its internal records and the records of any third party with whom client assets are held.

CISIL commences an investigation into the cause of any difference in the reconciliation within one working day, identifies the cause of the reconciliation difference within five working days and resolves any reconciliation difference identified as soon as practicable.

The CAR specify that the reconciliation must be performed on a daily basis for client funds, other than fixed term deposit accounts (which must be performed at least monthly).

The holdings of client financial instruments held by CISIL are also reconciled daily in accordance with the CAR. CISIL must ensure that this process is subject to thorough review and oversight and is required to report any material differences to the Central Bank.

### 4. Daily Calculation

CISIL is required to perform a daily calculation to ensure that the aggregate client asset balance held (client funds resource), as per the firms' client asset bank accounts at the close of business on the previous working day, is equal to the amount of funds the firms should be holding on behalf of clients (client funds requirement).

On a daily basis CISIL calculate whether the funds held with a third party equals the client funds requirement, as reflected in CISIL's records. Where a surplus exists, the firm will remove the surplus from the client asset account and conversely where a deficit exists, the firm will make good the shortfall. Where a material surplus or deficit occurs the firm has an obligation to report this to the Central Bank.

## 5. Client Disclosure and Consent

The CAR set out provisions to be included in the 'Terms of Business', provided to each client at the outset of the business relationship. Separately, the CAR also provide that clients are issued with a Client Assets Key Information Document prior to signing an investment agreement to open an account. Clients shall be updated in respect of a material change to this document within one month of any such change.

## 6. Risk Management

CISIL is required to ensure that appropriate systems and controls that identify relevant risks in relation to client assets are implemented, as well as mitigating controls to manage those risks. CISIL has appointed a Head of Client Asset Oversight ('HCAO') 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.

## 7. Client Asset Examination

CISIL engages an external auditor to report at least on an annual basis on CISIL's safeguarding of client assets. The external auditor provides an assurance report with regard to certain matters which are specified in the CAR.

### **The circumstances in which the Regulations do and do not apply and when assets cease to be client assets for the purposes of the Regulations**

The CAR apply to certain services provided by CISIL that are regulated by the Central Bank. This includes the following activities:

- Receipt and transmission of orders in relation to the buying of financial instruments;
- Receipt and transmission of orders in relation to the sale or transfer of financial instruments;
- Safekeeping and administration of financial instruments for the purpose of arranging the settlement of orders; and,
- Safekeeping and administration of financial instruments in relation to assets held in the share plan account.

CISIL also offers a number of unregulated services, including but not limited to Employee Share Plan Administration Services, Share Registration Services, Dividend Payment Services and Corporate Action Services.

Client assets cease to be client assets where:

- they are paid, or transferred, to the client, whether directly or into an account with an eligible credit institution 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 sale to the participant's own bank account via electronic transfer, at which point the proceeds will cease to be CISIL 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. For example, where CISIL receives an instruction to purchase shares under a relevant employee share plan arrangement, CISIL will transfer the purchase monies to a third party in order to arrange the transaction in the market, at which point the purchase monies will cease to be CISIL client assets.

**The circumstances in which CISIL holds client assets itself; holds client assets with a third party; and holds client assets in another jurisdiction**

CISIL does not hold client assets itself. Should CISIL receive monies, some of which may be classified as unregulated, the firm will pay the monies into a designated client asset account with a third party and transfer out of or withdraw such monies which are not client funds without delay, and in any event not later than one working day after the receipt of such monies.

CISIL may hold client assets in a third party bank account outside of Ireland. By accepting the Terms of Business, the client acknowledges and consents to CISIL holding client funds and client financial instruments outside of Ireland.

A list of the third parties with whom client asset may be held is set out in Appendix 1.

**The arrangements applying to the holding of client assets and the relevant risks associated with these arrangements**

Where we deposit client funds in a designated client asset account with a third party bank, those client funds may be protected, subject to certain eligibility criteria, under the national Deposit Guarantee Scheme. Full details of which are available at [www.depositguarantee.ie](http://www.depositguarantee.ie).

Where client funds or client financial instruments are deposited in a third party bank outside Ireland or the EEA (European Economic Area) these client assets will be subject to the law of a jurisdiction other than Ireland or the EEA as the case may be. The legal and regulatory regime may differ in another jurisdiction and your rights relating to those client assets may differ accordingly in the event of a default of such an institution.

CISIL may hold client assets on your behalf in a pooled account. A pooled account is one containing the assets of more than one client. There is a risk, in the event the third party bank or custodian becoming insolvent, that the designation of the pooled accounts as client assets may not be recognised by a liquidator, or the acknowledgement of such designation will be delayed, thereby preventing or delaying CISIL's ability to control your assets.

CISIL is a member of the Investor Compensation Scheme which provides compensation to eligible investors should the firm become insolvent and is unable to return your client funds or client financial instruments. If your loss is recognised by the Investor Compensation Scheme you may receive up to 90% of the net amount you have lost or €20,000, whichever is less. Full details of the Investor Compensation Scheme are available at [www.investorcompensation.ie](http://www.investorcompensation.ie).

CISIL has appointed a Head of Client Asset Oversight to oversee the proper implementation and operation of the Regulations and to ensure that any risks associated with the holding of client assets are mitigated in so far as possible.

While the purpose of the Regulations is to regulate and safeguard the holding of Client Assets, it can never fully eliminate all risks relating to client assets. CISIL will continually review and document, on at least an annual basis, its assessment of risks arising from its business model.

The Board of CISIL and the Central Bank will receive a copy of the annual 'Client Asset Examination', conducted by external auditors. This document reports on the quality of the systems and controls employed by the firm to ensure compliance with the Regulations.

**CISIL offers a Share Dealing Service and does not offer Investment Advice. The value of shares may fall as well as rise and it is important to note that the protection offered under the Regulations does not extend to the value of a client's investment.**

**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.

Trading Name	Registered Address	Internet Address
ALLIED IRISH BANKS PLC	10 MOLESWORTH STREET, IRELAND, DUBLIN 2, DUBLIN	<a href="https://aib.ie/">https://aib.ie/</a>
BANK OF AMERICA MERRILL LYNCH	100 NORTH TRYON STREET, CHARLOTTE, NC 28202, USA	<a href="https://business.bofa.com/">https://business.bofa.com/</a>
BANK OF IRELAND GROUP PLC	40 MESPIIL ROAD, DUBLIN 4, DUBLIN, D04C2N4, IRELAND	<a href="https://www.bankofireland.com/">https://www.bankofireland.com/</a>
BARCLAYS BANK IRELAND PLC	ONE MOLESWORTH STREET, DUBLIN 2, DUBLIN, D02RF29, IRELAND	<a href="https://www.barclayscorporate.com/">https://www.barclayscorporate.com/</a>
BARCLAYS BANK PLC	1 CHURCHILL PLACE, LONDON, E14 5HP, UNITED KINGDOM	<a href="https://www.barclayscorporate.com/">https://www.barclayscorporate.com/</a>
CITIBANK EUROPE PLC	1 NORTH WALL QUAY, DUBLIN 1, DUBLIN, D01T8Y1, IRELAND	<a href="https://www.citi.com/">https://www.citi.com/</a>
CITIBANK NA	388 GREENWICH STREET, NEWYORK, NY 10013, USA	<a href="https://www.citi.com/">https://www.citi.com/</a>
HSBC France, Dublin Branch	1 GRAND CANAL SQUARE, GRAND CANAL HARBOUR, DUBLIN DOCKLANDS, DUBLIN 2, IRELAND	<a href="https://www.hsbc.fr/en-fr/">https://www.hsbc.fr/en-fr/</a>
SKANDINAVISKA ENSKILDA BANKEN AB	KUNGSTRADGARDSGATAN 8, STOCKHOLM, V7, 106 40, SWEDEN	<a href="https://sebgroup.com/">https://sebgroup.com/</a>
THE ROYAL BANK OF SCOTLAND PLC	36 ST ANDREW SQUARE, EDINBURGH, EH2 2YB, UNITED KINGDOM	<a href="https://www.rbs.co.uk/">https://www.rbs.co.uk/</a>
ULSTER BANK IRELAND DAC	ULSTER BAK GROUP CENTRE, GEORGE'S QUAY, DUBLIN 2, D02 VR98, IRELAND	<a href="https://www.ulsterbank.ie/">https://www.ulsterbank.ie/</a>

The above third parties are independent parties of Computershare.