

Notice of changes

Introduction

This notice details changes we are making, as a result of ring-fencing legislation, to the way we provide the Smart Investor service, including changes we are making to the Barclays Terms for Smart Investor (the **Terms**).

This notice sets out a summary of the changes that will be brought into effect under a legal scheme called the 'Ring-Fencing Transfer Scheme' (the **Scheme**) and also additional changes that we are making outside of the Scheme.

Subject to the changes described in this notice, the Terms which currently apply to your relationship with Barclays Bank PLC will continue to apply as if you entered into those Terms with Barclays Investment Solutions Limited (**Barclays Investment Solutions**) and, if we create a deposit facility (**Investment Saver**) for you, with Barclays Bank UK PLC (our ring-fenced bank).

Barclays Investment Solutions is responsible for the provision of investment services, including execution of investment transactions and custody of investments. This notice and the Terms describe how your cash will be held. Any deposit facilities that are offered are provided by Barclays Bank UK PLC.

Unless otherwise stated, the changes listed in this notice will take effect on 30 September 2018 (the **Effective Date**). If this date changes, this will be highlighted on our website (smartinvestor.barclays.co.uk/support-info).

These changes are reflected in the updated Terms, which will govern our relationship with you from the Effective Date. For the updated Terms, visit smartinvestor.barclays.co.uk/important-information/legal-information.html

A summary of the changes to the Terms under the Scheme

Changes to the way your cash will be held

From the Effective Date all Smart Investor investment services, which are currently provided by Barclays Bank PLC, will be provided by Barclays Investment Solutions. Barclays Investment Solutions will hold uninvested cash as 'Client Money' in accordance with the Client Asset and Money rules (**Client Money**) of the Financial Conduct Authority (**FCA**) rather than on deposit as it is today. The conditions that apply to holding Client Money are set out in the Terms.

Your Investment Saver (if you have one)

If we create an Investment Saver for you in Barclays Bank UK PLC (our ring-fenced bank) this will form part of the Smart Investor service alongside your Investment Account. On the Effective Date, any uninvested cash in your Investment Account that is committed to an investment transaction will be transferred to Barclays Investment Solutions. Any uninvested and uncommitted cash will be transferred to Barclays Bank UK PLC to be held on deposit as it is today.

Following the Effective Date, if you have given us your consent we will automatically move uncommitted and uninvested cash that arises in your Investment Account from Barclays Investment Solutions to Barclays Bank UK PLC, as set out in the Terms. If you do not give us this consent, you can still move money between your Investment Account and your Investment Saver by giving us a one-off instruction, as set out in the Terms.

We will continue to debit cash, as required, to settle transactions and to pay fees (unless you already have other arrangements in place). We will do this in the same way as Barclays Bank PLC does today. Following the Effective Date cash may be debited from your account(s) with Barclays Investment Solutions or with Barclays Bank UK PLC.

Changes to any interest rates or pricing

Any interest rate or price relating to cash in your Investment Account with Barclays Bank PLC currently calculated by reference to the Barclays Bank PLC base rate will be replaced by reference to the Bank of England base rate (the **Base Rate**). The Base Rate is the official interest rate set by the Bank of England's Monetary Policy Committee.

Changes in the Base Rate are publicly announced and neither Barclays Bank UK PLC nor Barclays Investment Solutions will be required to personally notify you of changes.

A summary of other changes taking effect outside of the Scheme

We have also made some other changes which flow from, but are not brought into effect by the Scheme. The below changes will be made in accordance with variation rights in the Terms by giving you appropriate notice.

Definitions

We have made some changes to the definitions of certain words and expressions that we use in the Terms to help clarify your and our rights and responsibilities under them.

Changes to reflect restructuring

Although Barclays Investment Solutions and Barclays Bank UK PLC may both provide you with services, we clarify that they will not be jointly responsible for the activities of each of them.

Best execution policy

Barclays Investment Solutions will provide full execution and settlement services, including being able to execute transactions for you on a regulated market and other trading facilities. Barclays Investment Solutions' best execution policy (also set out in the Terms) is substantially the same as that applicable to Barclays Bank PLC. You should experience no real change to the way in which your orders are currently executed.

Client Money

We have clarified what terms and conditions will apply when Barclays Investment Solutions holds your money as Client Money. No interest will be payable on sums held in this way, except to the extent provided for in the Terms.

We have also made some minor updates to reflect changes in the FCA's rules regarding Client Money and also to highlight to you that if we do hold cash as Client Money we are limited to how much we can hold in the bank itself. For this reason we primarily hold Client Money bank accounts with third party banks. Further information is available on request.

Interest rates

We have clarified that our current interest rates are published on the Smart Investor website, in the section called 'Investment costs and fees'.

Deletion of outdated references to tax withholding

We have deleted references relating to tax withholding practices that no longer apply.

Execution and arranging

We have made some minor changes to the section on dealing services to make it clearer that we do not only execute your orders ourselves but may sometimes pass your orders onto brokers to execute, including to companies within the Barclays Group. This reflects our current practice and is not a change in how we will serve you.

Fractional entitlements

We have amended the Terms to clarify what happens if we have fractional entitlements to Shares, such as those following corporate actions on investments we hold in a pooled account, and how in some cases we may donate small sums away to charity.

Your Investment ISA (if you have one)

We have clarified what happens to your Investment ISA if you die. Due to changes in the ISA Regulations for ISA investors whose date of death is on or after 6 April 2018, tax relief will continue to apply to your Investment ISA from the date of your death for a maximum of three years subject to certain criteria as defined in the amended ISA Regulations. Your legal personal representative should be advised that they are required to notify us immediately of your date of death. This change does not apply to Investment ISAs held by investors who died before 6 April 2018.

Continuity of Terms following the Effective Date

The Terms set out below will remain unchanged after the Effective Date.

Continuity of your fees

The rate, charges, tariffs or scales of fees that apply to your current relationship with Barclays Bank PLC will continue under your new relationship.

Continuity of set off rights

We will continue to be able to set off anything you owe us against cash or assets we are holding for you. The current Terms do not allow us to set off against cash that Barclays Investment Solutions holds on your behalf as Client Money.

Continuity of confidentiality and data protection authorisations

Any rights Barclays Bank PLC has to hold, control and process your personal data (including by way of notice or consent) prior to the transfer are transferred to Barclays Bank UK PLC and Barclays Investment Solutions. For more detailed information on how and why we use your information, including the rights in relation to your personal information and our legal grounds for using it, please go to [barclays.co.uk/control-your-data](https://www.barclays.co.uk/control-your-data) or you can request a copy from us. We will be under the same duties to respect your confidentiality and privacy as before. Barclays Bank UK PLC and Barclays Investment Solutions will be permitted to share or disclose personal data within their own organisation or with other members of the Barclays Group provided that it is in connection with fair and lawful purposes under data protection law.

Any authority you have previously given Barclays Bank PLC or Barclays Investment Solutions to provide financial or other information to its auditors, regulators, judicial or supervising authorities or other third party authorities, agents or advisors, will be deemed to have been given to Barclays Bank UK PLC and Barclays Investment Solutions as appropriate, and will continue in full force and effect without amendment or any need for you or us to carry out any further action.

Any data subject request made by you as a data subject will take effect as if it included a reference to Barclays Bank UK PLC and Barclays Investment Solutions.

This item can be provided in Braille, large print or audio by calling your usual contact.

Barclays Investment Solutions Limited provides wealth and investment products and services (including the Smart Investor investment services) and is authorised and regulated by the Financial Conduct Authority and is a member of the London Stock Exchange and NEX. Registered in England. Registered No. 2752982.
Registered Office: 1 Churchill Place, London E14 5HP.

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