Henderson

Henderson
GLOBAL INVESTORS

INVESTOR INFORMATION

Additional Investor Information Document

Valid from 1 July 2014

You should read this document carefully so that you understand what you are buying, and keep it safe for future reference.

To be used in conjunction with the relevant Key Investor Information Document for the investment you are considering.

This Additional Investor Information Document provides additional useful information you should be aware of before investing. You should read this document in conjunction with the Key Investor Information Document (KIID). Please make sure you are comfortable with the contents and, if you're investing in an ISA, with the Terms and Conditions for ISAs, before deciding to invest.

Please use the details below if you have any queries regarding the administration of your investment, or wish to buy or sell or switch shares or units (ISA related requests have to be in writing):

Henderson Global Investors
201 Bishopsgate
London EC2M 3AE

General Enquiries: **0800 832 832**
9.00am – 5.30pm Monday to Friday
Email: **support@henderson.com**

You can use our email address for general correspondence and complaints. We cannot accept dealing instructions or change your account details via email. We may record and monitor telephone calls.

We do not provide investment advice. If you require investment advice, you should consult a financial adviser.

Please note that you should not interpret anything in this document as financial advice.

We issued this document as at 1 July 2014 and we update it at least once a year. This document, together with the application form, the Key Investor Information Document ("KIID") and the full Prospectuses, set out the terms of the contract for your investment. Any contract or relationship you enter into with us will be governed by the laws of England and Wales, and subject to the exclusive jurisdiction of the English courts.

We supply the documentation and communications for your investment in English.

Your client classification

Under the FCA rules, you will be categorised as a "retail client", meaning that you will have the maximum amount of protection available under these rules.

Keeping up to date

Investment risk and the performance of our Funds can change over time. You can get up-to-date information from our website, **www.henderson.com**, or by calling Customer Services on 0800 832 832.

Complaints

Details of our complaints procedures are available on request or by visiting our website. If you would like to raise an issue with us concerning any part of your dealings with us, you should write to the Complaints Officer at PO Box 9023, Chelmsford CM99 2WB. We will deal with your complaint via our internal complaints procedures. Alternatively you can use the Henderson Global Investors contact details on this page. If you are dissatisfied with the response received, you may also complain directly to:

Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London E14 9SR
Telephone: 0845 080 1800
Email: complaint.info@financial-ombudsman.org.uk
Website: **www.financial-ombudsman.org.uk**

You will have six months from the date of our final response to notify the Ombudsman of your complaint. Making a complaint will not prejudice your right to take legal proceedings.

Compensation arrangements

We are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. The levels of compensation are set by the Government and can change. Further information about compensation arrangements is available from:

Financial Services Compensation Scheme
7th Floor
Lloyds Chambers
Portsoken Street
London E1 8BN
Telephone 020 7892 7300
Email: **enquiries@fscs.org.uk**

Changing my mind

If you apply directly to us, you will not have the right to cancel your investment. If you apply via an authorised financial adviser, you may receive a cancellation notice which gives you 14 days to change your mind. However, if the value of your investment has fallen between the time of issuing your shares or units and us receiving your cancellation notice, we may deduct the amount by which it has fallen from your payment before returning your money to you.

How much tax will I pay?

Your tax rate and whether you are eligible for any tax relief depends on your own personal circumstances and is likely to vary over time. The information below is based on our understanding of HM Revenue & Customs practice. It summarises the position of investors who are UK resident, but please note that there may be other taxes that apply to the investment. We recommend that you take professional advice particularly if you are taxed outside the UK.

Capital Gains Tax

If your total realised gains from all investments subject to Capital Gains Tax ("CGT") do not exceed the annual exemption level you will not pay any Capital Gains Tax. The current CGT rate and annual exempt amount can be found at the HM Revenue & Customs website, www.hmrc.gov.uk.

Income tax

Distributions of income generated by a Fund are treated as income for tax purposes. This income can be one of two types, Interest distributions or Dividend distributions depending upon the nature of a Fund's investments.

If you are a starting or basic rate taxpayer, you will have no further income tax liability. We have shown below the tax treatment for starting, basic rate, higher rate and additional rate tax payers for the two types of income.

- **Interest distributions**
  These have income tax deducted at 20%. If you do not pay tax, or are a starting rate taxpayer, you can reclaim all or part of this tax. If you are a basic rate taxpayer, you will not pay any further tax. Higher rate and additional rate taxpayers have a further tax liability. Current legislation requires us to report all interest distributions to HM Revenue & Customs.

- **Dividend distributions**
  Dividend distributions to individual investors carry a tax credit at a rate of 10%. If you are a starting or basic rate taxpayer, you will not have any further tax liability. If you are a higher rate or additional rate taxpayer you will be liable to income tax on the grossed up dividend income at the rate of 32.5% or 37.5% respectively, but can offset the 10% tax credit against this. It is not possible for investors to reclaim any amount in respect of the tax credit.

Late trading/market timing

We have a regulatory responsibility and a duty of care to prevent "late trading" and "market timing" practices carried out by investors in our Funds. These practices, in general, aim to exploit time differences and price inefficiencies within stock markets and the pricing of shares or units of the Funds. We have put in place procedures to prevent this and to monitor suspected market timing and late trading. We are also obliged to declare all such suspicious cases to the FCA and to the Depositary/Trustee. We may also cancel or suspend orders, including switches between Funds, in such circumstances. You can find more information on market timing within the full Prospectuses.

Best execution/Best interests

When buying or selling shares or units on your behalf, we will only buy or sell at the relevant valuation point as detailed in this document and the full Prospectuses. We are required to ensure your best interests are served when placing dealing instructions with securities dealing firms. We shall monitor the quality of the execution arrangements we maintain with the brokers we use and promptly make any changes where we identify a need to do so. Further details relating to our internal policy are available in the full Prospectus or by contacting us directly.

Conflicts of interest

The ACD/Manager, Investment Manager and other companies within the Henderson Group plc may act as investment managers or advisers to other funds which follow similar investment objectives to those of these Funds. It is therefore possible that potential conflicts of interest could arise. The ACD/Manager and/or the Investment Manager will, however, have regard to its obligations to act in the best interests of the Funds as far as possible, having regard to its obligations to other clients. The ACD/Manager acknowledges that there may be some situations where the organisational or administrative arrangements in place for the management of conflicts of interest are not sufficient to ensure with reasonable confidence, that risks of damage to the interest of the ACD/Manager or shareholders will be prevented. Should any such situations arise, the ACD/Manager will disclose these to shareholders in an appropriate format. The Depositary/Trustee may act as depositary, trustee or custodian of other collective investment schemes. Further details relating to our internal policy are available in the full Prospectus or by contacting us directly.

Dealing arrangements/inducements

We have entered into "dealing arrangements" with certain brokers under which a proportion of commission paid to them on transactions may be used to pay for execution and/or research services provided to us by the broker or a third party. Our policy in relation to these "Commission Sharing Agreements" is available on request.

Strategy for the exercise of voting rights

The ACD/Manager has a strategy for determining when and how voting rights attached to ownership of Scheme Property are to be exercised for the benefit of each Fund. A summary of this strategy is available from the ACD/Manager on request by contacting us directly, as are the details of the actions taken on the basis of this strategy in relation to each Fund.

UK Anti Money Laundering requirements

You should note that under United Kingdom legislation and regulations concerning the prevention of money laundering and terrorist financing, we are required to verify the identity of our clients. In certain circumstances we may need to request additional information to verify your identity. If this is the case we will write to you to request the information. This may delay your investment and we shall need this information before we can act on any further instructions from you about your investment or make any payments to you. Neither we nor our administrator shall be liable for any share price movements occurring during delays as a result of money laundering requirements being satisfied.

Stamp Duty Reserve Tax ("SDRT")

SDRT is a transaction tax of 0.5% which is normally paid for by funds which invest in UK shares. Further information can be found in the full Prospectuses, under "Taxation".

How do I invest?

You can invest a lump sum or save regularly on a monthly basis. Please refer to the relevant funds Prospectus for further details on investment minimums.

Paying for your postal investment

- Investing a lump sum: please send a personal cheque made payable to **Henderson Global Investors** with your application form. Please check the minimum investment limits for each Fund in the Fund's Prospectus.

- Investing regularly on a monthly basis: please complete the direct debit instruction on the relevant application form and send us a cheque for your first monthly payment. Please note we do not accept third party payments, the account name on the cheque must be the same name as the person who is making the investment.

Paying by telephone

If you are an existing investor in the Funds, subject to certain conditions you may top up your current investment Fund(s) by telephoning us. You must pay for your investment during the call using a debit card which must be registered in your own name.

How do I switch between Funds?

You may switch between Funds by writing to us (signed by all investors) at the address shown in the front of this document. Remember that if you do not switch the entire holding, you should maintain a minimum of £1,000 holding in your existing Fund. We will not usually charge you for switching between Funds but we reserve the right to do so. For single priced funds the price for switching will be based on the underlying net asset value of the Funds. For dual priced funds, we will sell the shares or units for you at the bid price and buy at the offer price. A switch of assets from one fund to another will be regarded as a chargeable disposal by HM Revenue & Customs, and could give rise to a Capital Gains Tax (CGT) liability if your annual exempt amount has already been used. CGT does not apply to investments held within an ISA.

Confirmation of your investment

We will send you a contract note which will tell you your customer number, the number of shares or units you have bought, the amount you have invested, the share or unit price and any charges you have incurred. We send you a contract note for any subsequent investments or switches you make. We will aim to send out all contract notes within one working day of investing your money. If you are saving monthly we will send you an acknowledgement confirming that your account has been set up, but you will not receive monthly contract notes. It is very important to keep all contract notes safe, because we do not issue certificates. Your evidence of ownership is through us entering you on the investor register. If you are an ISA investor your investment will be registered jointly in your name and Henderson Global Investors Limited.

Can I access my money easily?

You can sell all or part of your investment at any time. There is no withdrawal charge for doing this, although we reserve the right to impose a £5 charge for same day bank transfers of less than £10,000. We will deduct this from the withdrawal proceeds. The minimum amount for partial withdrawals is £100. After you have made the withdrawal, the remaining value of your investment in the Fund must be at least £1,000. Your financial adviser will be pleased to provide you with details of the options open to you. If you wish to sell your OEIC, unit trust or ISA investment please call or write to us using the contact details at the front of this document.

Does my investment pay an income?

A Fund may generate income from its underlying investments. Income may be paid out to investors or reinvested depending on the type of shares or units held.

Income shares or units

We will purchase additional shares or units for you when we receive the income. If you elect to have income paid out to you (see above), the income will be paid into your nominated bank or building society account on the Fund's income payment date. Payment dates can be found in the Fund's Prospectus.

Accumulation shares or units

For these shares/units, we reinvest all the income to maximise growth potential, increasing the value of shares/units held. Please refer to the full Prospectus which shows when income is accumulated.

Every six months we send you:

- A statement showing the value of your investment as at 30 June and 31 December each year, together with a list of transactions during the six month period;
- A copy of the annual or half-yearly Short Report for the Fund(s) you hold. This will provide up-to-date details of your Fund and a commentary from the fund manager about the Fund's performance;
- If your shares or units are held outside of an ISA you will receive a tax voucher when the fund distributes a payment, with the exception of the following monthly payment funds, the Henderson Fixed Interest Monthly Income Fund, Henderson Cautious Managed, Henderson Core 3 Income Fund, Henderson Core 4 Income Fund and Henderson Core 5 Income Fund, for which we issue an annual Consolidated Tax Voucher in March of each year.

What happens to my investment on death?

Investments form part of your estate on death and on production of the Death Certificate and the Sealed Grant of Probate or Letters of Administration, may be sold or re-registered in the names of the Executors or Administrators of the Estate or a Beneficiary.

Data Protection Act

Your information will be stored and processed by computer systems so that we can provide the services. We may pass such information on to third party service providers used by us. The use of personal information is covered by our registration under the Data Protection Act 1998 ("DPA"). To assist in confirming identity we may make searches with credit reference agencies who will supply us with credit information, as well as information from other sources including the Electoral Register. The agencies may record details of the search.
We may also pass information to law enforcement agencies.

Any information you provide will be used to enable us to provide the services which you have applied for, internal research and analysis, and to identify you when you contact us. Your information will only be transferred to other Henderson Group companies or their agents or, where you have notified us that you have appointed a financial adviser, to your financial adviser. You should contact us in writing if you do not want us to share your personal information with your financial adviser. If we or the Henderson Group undergoes a group restructuring or is sold to a third party, we may transfer your personal information to that restructured entity or third party.

The controller is Henderson Global Investors. Your data may be transferred outside of the European Economic Area (the EEA) for example when our servers, suppliers and/or service providers are based outside the EEA. Where this is the case, we will take steps to ensure that your privacy rights are respected.

We may wish to contact you for market research purposes and to provide you with information on our products and services from time to time. You may write to us to request to be removed from our mailing list, correct your personal data or, upon payment of the appropriate fee, obtain a copy of the personal data we hold about you.

Terms & Conditions for ISAs

Application Forms

1. Who your agreement is with

Legal structure

Henderson Global Investors Limited (which we refer to as 'us', 'we', or 'our') in these Terms and Conditions is the ISA Manager and principal distributor of the Henderson ISAs ('the ISAs'). We are authorised and regulated by the Financial Conduct Authority (the 'FCA') and we are approved by HM Revenue & Customs as a manager of ISAs under the ISA Regulations.

Our address is:
Henderson Global Investors Limited
201 Bishopsgate
London EC2M 3AE

The agreement between you and us is made up of the information contained within:

· these Terms and Conditions;

· Key Investor Information Document (KIID);

· the full Prospectuses of the Funds; and

· the Application form.

You should read the documents above which are all available from us. Expressions defined in the ISA Regulations will, unless the context requires otherwise, have the same meaning in these Terms and Conditions. If the ISA Regulations are inconsistent with these Terms and Conditions, the ISA Regulations will prevail.

You should be aware of the nature and risks of investing in an ISA. Please see the KIID and Prospectus for more information on the Funds.

2. Definitions

"ACD" means Authorised Corporate Director, a corporate body regulated by the FCA and given powers and duties under rules to operate an open ended investment company. Henderson Investment Funds Limited is the ACD.

"Application form" means an ISA Application form or transfer form that you complete when applying to invest in a Henderson ISA.

"Business day" means any day on which the Manager is open for business for the buying or selling of shares or units.

"Eligible investments" means the Funds available in the Henderson ISA.

"FCA" means the Financial Conduct Authority of 25 North Colonade, Canary Wharf, London E14 5HS or any institution that assumes functions currently carried out by the Financial Conduct Authority.

"Fund" means an authorised unit trust or sub-fund of an open-ended investment company for which Henderson Investment Funds Limited is, respectively, the manager or authorised corporate director.

"Investments" means the investments made in the Funds you have selected on your Application form or during your telephone instruction.

"ISA" means an Individual Savings Account set up and managed under the ISA Regulations.

"ISA Manager" means the ISA plan manager which is Henderson Global Investors Limited.

"**ISA Regulations"** means the Individual Savings Account Regulations 1998, as amended from time to time.

"Manager" means the manager of the Funds, Henderson Investment Funds Limited.

"Henderson" means Henderson Investment Funds Limited.

"Henderson ISA" means an ISA managed by Henderson and subject to these Terms and Conditions.

"Regular saver" is an investor subscribing monthly by direct debit.

"Qualifying individual" means an individual aged 18 years or over who is deemed to be resident in the UK for tax purposes. This includes a non-resident who performs duties which by virtue of Section 28 of the Income Tax (Earnings & Pensions) Act 2003 are treated as being performed in the UK (Crown employees serving overseas) or is married to, or is in a civil partnership with a person who performs such duties.

"Terms" is an abbreviation referring to these Terms and Conditions

"Valuation point" is the date and time of day when the Funds are valued and their shares or units priced. These are detailed in the Prospectus.

3. Application & investment

Opening a plan

You may invest by lump sum payment or by regular monthly savings. We detail the subscription limits in the Application form and the Prospectus.

An ISA can be set up by completing an application form and returning it to us with either a cheque or bankers draft for the amount you wish to invest as a lump sum, or by telephone if you have a debit card. If you wish to invest on a regular monthly basis you must complete a direct debit instruction and send us a cheque for the first monthly payment. The account name on the cheque must be the same name as the person who is making the investment.

You may make investments by telephone by arranging this in advance with our dealing department. You must pay for your investment during the call using a debit card. Please note that the debit card must be registered in the account holder's name.

We will send you an acknowledgement when you set up an ISA. We normally send this within four working days of receiving your Application form.

For lump sum investments, we will send you a contract note every time you invest. For monthly investments, we will send you a contract note after your initial investment only. We will send all contract notes within one working day of investing your money.

Your ISA and these Terms will normally come into force, subject to any rights you may have to withdraw, once we receive and accept your Application form and subscription.

Terms & Conditions for ISAs (continued)

We are not obliged to accept your Application form if it is not properly completed. If this is the case, we will try to contact you to clarify the information but it might take time to do so and during this time your money may remain uninvested (although we will deposit it in a non-interest bearing client money account). If we do not receive all information necessary to complete your ISA Application within 30 days of originally receiving it, your investment may be made in the Fund(s), but the ISA tax benefits will not apply. You can still obtain the tax benefits of an ISA by completing a new Application form. Should you forward a new fully completed form to us we will treat it as a new ISA from the date we receive it.

If we receive your Application form prior to the tax year to which it relates, we will not invest your money but will put it in a non-interest bearing client money account until the start of the new tax year.

Please note that we do not accept payments made on your behalf from a third party on any investments.

We reserve the right to refuse an application to have an ISA with us. In order to qualify for an ISA you must be a Qualifying individual.

Investment objectives

We set out the investment objectives and policies of the Funds in the KIID and the Prospectus.

Basis of dealing

We normally invest your subscription at the next available Valuation point after we receive your payment and correctly completed Application form. If your subscription is returned by your bank as unpaid and you do not settle the amount owed within a further seven business days, or otherwise, if you do not settle within 30 days of your instructions to us, we have the right to treat your contract as null and void. We can claim from you any shortfall or retain any profits made from the transactions for ourselves.

Charges/fees

The ACD and Manager receive fees from the Funds and these are set out in the Prospectus. Such fees may vary from time to time in accordance with the FCA rules.

Regular savings

You can only make regular monthly savings for certain Funds and these are detailed in the Prospectus and on the Application form. You can split investments in more than one Fund, as long as you have invested the minimum amount as detailed in the Prospectus or Application form.

You can vary your regular monthly savings investment amounts by writing to us. We collect direct debits from your bank or building society account either on the 1st or 15th day of the month, at your election, or the next business day, provided we have received your direct debit form two weeks before the first collection date. Certain existing clients may have a collection date on other days of the month which will continue to apply. Please note the bank account must be held in the investor's name. We do not accept third party payments.

Once we have received your initial investment by cheque, we then use this money to buy shares or units in your chosen Fund(s) at the next available Valuation point. Unless you instruct us otherwise this will automatically continue to collect as instructed should your chosen Fund be merged into another Fund.

By investing monthly by direct debit, you will not need to complete an Application form at the start of each tax year. You can stop and start your monthly subscriptions by writing to us. However, you must make at least one contribution in each tax year to keep the continuous application valid. If you make no investments in a tax year, you will need to complete a new ISA Application form which will be subject to the charges and Terms applicable at this time.

Further subscriptions & limits

You may make additional lump sum investments to your ISA in the same tax year as it is opened, subject to the minimum amount set out in the Prospectus. Your total ISA investment per tax year must not exceed the maximum allowed by the ISA Regulations. This can vary per tax year.

Any lump sum subscriptions will normally be invested at the next available Valuation point after we receive your Application form.

If you have invested in a cash ISA with another ISA manager you may still be able to invest in a stocks and shares ISA with us. Please note we only offer stocks and shares ISAs.

We will not accept further investments from you if the ISA Regulations no longer give you the right to invest in an ISA.

4. Switching

Switching funds

You may switch your holdings to another Fund by writing to us or by telephoning our dealing department. A switch between Funds may take a number of days if their Valuation points differ. This means that your investment may be in cash rather than invested in stocks and shares for a period of time, which means you will not be exposed to any gains or falls in stock markets during this time.

Details of the Funds into which you may be eligible to switch are set out in the Prospectus. This list can vary over time and you should ensure that you have the latest version of the Prospectus.

For single priced Funds the prices for switching your Funds will be based on the underlying net asset value of the Funds. If your switch involves dual priced Funds, we will sell the shares or units for you at the bid price and buy at the offer price, as relevant.

You can make switches between products and share classes if you meet the relevant investment conditions. Should you decide to switch or invest in a Fund not covered by this document, you should read the KIID and Prospectus covering the Fund before making any investment decision.

We will not usually charge you for switching between Funds but we reserve the right to do so. We will not stop you switching between Funds unless we have reason to believe that you are involved in "late trading" or "market timing" (as described in the Prospectus and this document).

Switching to a fund platform

You may arrange the re-registration of your ISA holdings to a fund platform (which would include any similar nominee account) which has arrangements with us to support this service. When an ISA is re-registered to a fund platform, there may be small residual balances as the result of us receiving income after the re-registration has been carried out. Where this occurs we will return such small balances directly to you.

5. Termination and withdrawals

Withdrawals from your ISA

There is no minimum duration for your agreement with us under these Terms. As long as any outstanding transactions have been paid for, you may terminate your ISA or withdraw all of your investments held in the ISA at any time by giving notice in writing to us (at our discretion you can also instruct us to sell your investments by telephone). Your instruction will not affect any transactions into your ISA which we are currently processing.

When we receive your instructions we will either transfer the investments to you or sell the investments and pay the proceeds to you. We reserve the right to refuse the sale of investments where you instruct us by telephone or we may require your signature or other information prior to paying the proceeds to you.

If you make a partial withdrawal, you must maintain the minimum investment amount. We reserve the right to impose a £5 charge for same day bank transfers of less than £10,000. We will deduct this from the withdrawal proceeds.

If you end your ISA, you may have to pay an exit charge if set out within the KIID and Prospectus.

Withdrawals do not affect ISA subscription limits. If you have subscribed the maximum permitted, you cannot make further subscriptions regardless of withdrawals.

Payments

Sales will take place at the next available Valuation point after we receive your instructions but please be aware that dealing days may be varied at our discretion. We will normally send you payment for the proceeds within five business days of your instructions, provided we have received all the necessary paperwork from you. Please note that we do not make third party payments.

Termination by us

We may end your ISA by writing and giving you three months' notice. We may also end your ISA immediately at our discretion if you do not comply with any material Terms of this agreement.

We are entitled to terminate your ISA without giving notice if:

1. you are a regular saver and payments have not been made for three or more consecutive months and the value of your investment is less than £1,000;

2. you are a lump sum investor and the value of your investment is less than £1,000.

If, in our view, you act in an unreasonable or abusive manner towards any of our employees or our appointed agents, we may only deal with you in writing. If you persist with such behaviour we can compulsorily redeem your holding.

We are obliged to terminate your ISA immediately if we are of the opinion that it is impossible to administer it in accordance with the ISA Regulations or if it is made void as a result of a breach of the ISA Regulations. We will notify you in writing if this occurs as soon as possible once we become aware of it. In the event of such termination we reserve the right to redeem shares or units to the value of any tax credits already paid to you.

After we have started selling your investments we will not accept any further instructions from you concerning your ISA. Your ISA will be terminated without prejudice to any actions already initiated by you and we are entitled to retain such proceeds as are necessary to meet any outstanding fees and any transactions that have been started on your behalf.

Termination on death

We will terminate your ISA in the event of your death. Our rights and powers under these Terms will, however, continue to bind your legal personal representatives. We will accept instructions from your legal personal representatives when we receive:

- a death certificate or equivalent and;

- a grant of probate or letters of administration or appropriate legal confirmation as to the sale or transfer of your Investments.

Any tax benefits accrued to your ISA after death will be removed and will be repaid to HM Revenue & Customs.

Once appropriate notification is received from your legal personal representatives we will:

- where income is currently being reinvested – continue to reinvest but without any tax benefits; or

- where income is currently being paid out – hold the income without any tax benefits in a non-interest bearing client money account until it can be paid directly to your legal personal representatives.

We are entitled to deduct our outstanding fees at the date of death.

On your death it will be possible for your beneficiaries to re-register your holdings into the Funds outside of the ISA, rather than being forced to sell your Investments.

Stopping regular savings

To stop your regular savings you should write and tell us. You may restart them by writing to us again. Stopping your monthly subscriptions does not end your ISA. If you wish to end your ISA and receive its cash value, please refer to the previous paragraphs. Please also remember that you must maintain the minimum balance for each Fund.

Procedure following bankruptcy

Upon us being notified of your bankruptcy, we will automatically terminate your ISA and convert it into shares or units in an OEIC or unit trust. We will put the investments into the beneficial ownership of the appointed trustee or Official Receiver who may have the authority to sell your investment. Any ineligible income tax received after the date on which the trustee was appointed will be returned to HM Revenue & Customs.

Void and invalid ISAs

We will terminate your ISA if it is made void under the ISA Regulations as a result of a failure to satisfy the ISA Regulations. We will give you notice in writing if this occurs or we have notice that it will occur. We may deduct any unpaid charges and tax liabilities before sending any proceeds to you.

Should you at any time become ineligible to subscribe to an ISA, you may retain the ISA but may not add further to it.

Terms & Conditions for ISAs (continued)

In certain circumstances it may be possible for us to repair rather than void an invalid ISA. This will allow you the benefit of the tax relief for the future but you may lose the tax relief up to the date of repair and you should be aware of the income and capital gains tax implications of this.

Cancellation

If you have received advice from a financial adviser in relation to your investment in our ISA or your transfer to our ISA you will have the right to cancel your investment or transfer it within 14 days of receiving your contract note. When we have accepted your application, we will send you a cancellation notice. If you choose to exercise this right you should complete and return the cancellation notice. You may not receive the same mount originally invested if the value of your Investments has fallen. In certain circumstances there may be a delay in returning your Investment.

Please note that should you cancel your investment in our ISA or your ISA transfer then its ISA status may be irrevocably lost. If you wish to cancel your investment in our ISA and would like to discuss the implication for your ISA please contact us (please note we are unable to give investment advice). If you cancel your ISA following a transfer from another manager you need to consider if your previous ISA manager will take back your investment and what charges it may levy.

If you subscribe to a second or subsequent ISA with us we are under no regulatory obligation to offer cancellation rights. We will, however, offer cancellation rights if you have been given advice.

6. Transferring

Transferring an existing ISA to us

You may transfer the cash value of an existing ISA from previous tax years, managed by another ISA manager, to our ISA by completing a transfer Application form.

We will accept your application providing it meets all the requirements of the ISA Regulations and these Terms. We will then arrange for the transfer to take place on your behalf. We reserve the right not to accept a transfer application.

We accept whole or partial transfers provided the existing ISA manager is able to process a partial transfer. You should check this with the existing ISA manager before sending us a transfer form. The ISA Regulations do not allow partial transfers for ISA investments which have been made in the current tax year.

The minimum ISA transfer is £1,000 per Fund, with the exception of any Fund with a higher minimum investment as described in the Prospectus. We will not accept subsequent amounts of less than £100, for example distributions and tax credits, and will return these to the previous ISA manager.

After we receive the cash transfer from your previous ISA manager we will invest your proceeds at the next available Valuation point for your chosen Fund(s). The timing of us receiving the cash from the transfer is outside our direct control. Therefore there is potential for loss of income and growth following a rise in the markets whilst the ISA transfer is in progress.

We can accept the full or partial transfer of either stocks or shares or cash ISAs from previous tax years, into our stocks and shares ISA, and the full transfer of either component in the current tax year.

We will assume your transfer instruction is to transfer the whole of your ISA if you do not tell us a monetary amount, percentage amount or tell us the tax year(s) you wish to transfer on your transfer Application form.

Once your ISA is transferred it will be subject to these Terms.

Transferring your ISA to another ISA manager

You may transfer the whole or part (depending on the tax year of the investment) of your ISA to another ISA manager that confirms that it agrees to accept the transfer by giving us notice in writing. This notice must be on the transfer Application form of the new ISA manager. When we receive your instructions we will transfer your ISA to the new ISA manager within 30 days. You may also transfer by the same process a part of your ISA from previous tax years.

For investments you have made in a current tax year you can only transfer the whole of the ISA to a new manager. Partial transfers are not permitted for investments made in the current tax year.

We will transfer your ISA in cash by selling your investments and forwarding the proceeds by cheque directly to the new manager. If you wish to partially transfer, you must retain the minimum holding amount per Fund.

During the transfer process, your investment will not be invested in stocks and shares for a period of time which means that you will not be exposed to any gains or falls in stock markets during this time.

Where there is a small residual balance as the result of the re-registration of an ISA to a fund supermarket or similar nominee account, we will return this small balance directly to you.

7. Cash, safe keeping of investments and registration

Ownership of investments

Investments are beneficially owned by you and are registered jointly in your name and Henderson Global Investors Limited. Any title documents for an investment will be held by us or as we may direct.

Investments must remain in your beneficial ownership. We are not permitted to lend any investments, documents of title or other property belonging to you to any third party or borrow money on your behalf or permit you to borrow money against the security of the investments or documents of title.

This does not prevent the Funds engaging in stock lending of the investments held by them because the title to the investments in the ISA does not change.

Client money

In practice, we will not often hold uninvested cash on your behalf. In general terms, however, if we ever need to do so for any significant period of time, any such cash will be held in a non-interest bearing client money bank account in accordance with the FCA's client money rules as follows:

- we will deposit the cash in the UK with a banking institution authorised by the Prudential Regulation Authority;
- the bank will hold the cash on our behalf in a trust account separate to any account used to hold money belonging to us in our own right;
- we will not, however, be responsible for any acts or omissions of the bank;
- if the bank becomes insolvent, we will have a claim on behalf of our clients against the bank. If, however, the bank cannot repay all of its creditors, any shortfall may have to be shared pro rata between them. No interest will be payable on your money in such an account. In general terms, the FCA rules do not require us to treat cash as "client money" where we hold it temporarily for the purpose of fulfilling a particular client order in this context such as an order to subscribe for or redeem investments. We will, therefore, hold this type of cash in a bank account in our own name. We will also retain any interest payable on such an account from time to time.
- If we are holding cash, whether client money or not, we may withdraw the cash and apply it towards paying fees, charges and other sums due to us.

Client categorisation

You will be classified as a retail client for the purposes of the FCA Conduct of Business Rules. This means that you will have the maximum amount of protection available under the FCA rules.

Appropriateness of your investment

We do not need to assess if the Funds are appropriate or suitable for you. As a result, you will not benefit from the protection of the FCA rules on assessing suitability. We will not assess whether:

- the product meets your investment objectives;
- you would be able financially to bear the risk of any loss that the product may cause; or
- you have the necessary knowledge or experience to understand the risks involved.

8. Income & tax

Income reinvestment

If you invest a lump sum, we will automatically reinvest income from the investments in your ISA unless you advise us otherwise. Reinvestments may be subject to an initial charge. Please check your investment's Prospectus for confirmation. If you hold income shares or units, we will purchase additional shares or units on your behalf when we receive the income. If you hold accumulation shares or units the income is automatically "rolled up" and reflected in the share or unit price.

Income paid to you

If you are a lump sum investor and hold income shares or units you may opt to have any income paid to you by direct credit or cheque. If you choose the first option you must complete the direct credit slip on the Application form to enable us to pay your income into your bank or building society account or by cheque. If you do not complete the direct credit slip (or advise us that you would like income payments to be made to you by cheque) we will automatically reinvest your income.

If you opt to have income paid to you, distributions of income and any tax we reclaim on this income, will be paid on the relevant distribution payment dates, as detailed in the Prospectus. We pay this income directly into your bank or building society account or by cheque. You may change your income instructions at a later date. We reserve the right to recover from you any overpayments of income.

Please note that any income payments remaining uncleared six months after their distribution date will be transferred to the Trustee or Depositary where they will be held for up to six years and then returned to the Fund(s).

If you have closed your ISA, we will hold any uncleared subsequent income payments in a non-interest bearing client money account. If these remain unclaimed after six years we may pay them to a charity of our choice.

Frequency of income

If you opt for reinvestment of your income, the income along with the tax credit will be used to purchase further shares or units in the relevant Fund(s) for your ISA on the distribution payment date(s).

Tax reclaims

We cannot reclaim the tax credit from the income payment of a Fund where the income is from dividends from the underlying investments.

If the Fund you select invests predominantly in fixed interest investments such as Corporate Bonds or Government stocks this Fund may pay an interest distribution. If you invest in interest paying Funds, and you select income shares or units, the income payment you receive will be paid to you without the deduction of income tax.

9. Statements, annual reports and voting

Statements

We will send you a statement every six months which includes details of transactions and a valuation. These details are as at 30 June and 31 December.

Annual reports and accounts

You will receive the annual and interim short report and accounts for your Funds when they are published.

Notices of meetings and voting

We may write to you about possible changes to the Funds in your ISA. Sometimes we will just notify you of a change, however, some changes may require you to vote. We will arrange for you to attend and vote at these meetings and receive any other information issued to investors in those Funds.

Terms & Conditions for ISAs (continued)

We will not exercise any voting rights relating to your holdings unless you instruct us to.

We will assume you have chosen to receive these rights unless you notify us to the contrary.

Provision of information

We will post notices and other documents to you at the last address we hold for you. We will assume you have received them two days after posting.

You must supply us with all information that we reasonably ask for, in relation to your ISA. In particular, you must tell us promptly if you cease to be a Qualifying individual, change your address, your personal status, your financial adviser, or other information you have given us in your application or any other significant change in your circumstances which might affect your ISA. You need to inform us of a change of address by signed, written instructions. You need to inform us of a change of name by signed, written instructions – including the original or certified copy of any legal documentation.

10. Amendments/transfer of our rights

We reserve the right to amend these Terms on at least one month's written notice provided that the changes will not:

- materially affect your interests;
- release us from any of our obligations to you;
- impose on you any obligations to make a payment; or
- alter the fundamental basis of your investment.

We may vary these Terms without notice, if required, by a change in any applicable law (including the FCA rules or the ISA Regulations).

We may assign our responsibilities as ISA Manager under these Terms to another entity in our corporate group or a third party. This may occur if that other entity writes to you and undertakes to carry out all our duties and obligations in respect of your ISA under these Terms. If this happens, you agree that we will be released from all those duties and obligations. We shall satisfy ourselves that any new manager is competent and authorised to carry out those duties and obligations. As part of transferring our rights and obligations we may transfer all of the cash, investments and information we hold under these Terms to that entity or its nominee.

Remember, however, that you have the right to end this agreement at any time if you do not like a variation or a proposed assignment. You can do this by writing a letter to us. No charge is payable to us for this if we receive your letter within one month of the date of the notice sent to you to inform you of the variation or assignment.

11. Other information

Delegation

We may arrange for a third party to carry out some or all of the administrative functions. In such circumstances we will satisfy ourselves that any person to whom such a function or responsibility under these Terms is delegated is competent.

Conflicts of interest

Companies within the Henderson Group may act as investment managers or advisers to other funds which follow similar investment objectives to those of these Funds. It is therefore possible that potential conflicts of interest could arise. We have policies in place to ensure we act in the best interests of the Funds as far as possible. Please find further details of our conflict of interest policy within the Prospectuses.

Liability and indemnity

We will use all reasonable skill and care in managing your ISA. However, we will only be liable to you for any loss which you incur as a result of our failure to comply with these Terms or of the negligence, wilful default or fraud of:

- us;
- any associated company to whom we have delegated any functions (including a nominee company);
- any of our employees; and
- the employees of any such associated company;

Except in the case of fraud or a breach of the FCA rules on our part, we will also only be liable to you for any direct losses that you suffer.

We have to use due skill, care and diligence, and comply with any relevant FCA rules, when:

- selecting a bank or custodian with whom to deposit monies or other assets held for you;
- delegating to a third party any obligation we have to you; and
- dealing with or through any third party to execute transactions on your behalf.

Provided we have done this, however, we will not be liable to you for any loss you suffer as a result of an act or default on the part of such a bank, custodian or third party.

We shall not be liable for any losses you suffer through a fall in the value of the investments held in your ISA.

We have no responsibility or liability to you for any loss or damage as a result of any breakdown, failure or malfunction of any telecommunications or computer services or systems, or any other event not reasonably within our control, (provided that we have complied with the FCA rules on business continuity). If this type of situation arises, however, we will remedy the situation as soon as reasonably possible.

We are not liable for any loss caused by a fall in value of Investments which may occur due to delays during the process of verifying your identity, in compliance with anti-money laundering regulations. We are not liable for any unauthorised use or other misuse of your debit card.

Telephone recording

We may record and monitor telephone calls.

Governing Law and Jurisdiction

These Terms are governed by the laws of England and Wales and subject to the exclusive jurisdiction of the English courts. We will communicate with you in English.

Financial Conduct Authority (FCA)

Henderson Global Investors Limited is authorised and regulated by the FCA, registration number 121857.

The FCA can be contacted at:

Financial Conduct Authority
25 The North Colonnade
Canary Wharf
London E14 5HS
United Kingdom

Telephone from UK: 0845 606 1234 (local call rates)
Telephone from overseas: +44 (0)20 7066 1000
Website: **www.fca.gov.uk**

Henderson
GLOBAL INVESTORS

Henderson Global Investors is the name under which Henderson Global Investors Limited (reg. no. 906355), Henderson Fund Management Limited (reg. no. 2607112), Henderson Investment Funds Limited (reg. no. 2678531), Henderson Investment Management Limited (reg. no. 1795354), Henderson Alternative Investment Advisor Limited (reg. no. 962757), Henderson Equity Partners Limited (reg. no. 2606646), Gartmore Investment Limited (reg. no. 1508030), (each incorporated and registered in England and Wales with registered office at 201 Bishopsgate, London EC2M 3AE) are authorised and regulated by the Financial Conduct Authority to provide investment products and services. Telephone calls may be recorded and monitored.

H010003/0614