

Raymond James Investment Services (RJIS) has compiled this fact sheet to help address questions you as investors may have about cash held on your account with Pershing Securities Limited (PSL). If you have any additional questions, don't hesitate to contact your adviser.

| Question: As a client of RJIS, where are any cash balances in my account at PSL deposited?

| Answer: PSL diversifies client cash across a number of financial institutions, each having its own limit depending on various criteria established by the PSL Credit Risk Committee. PSL currently has arrangements with over 45 financial institutions. They place client cash deposits on any given day with a minimum of 15 different banks and, with few exceptions, keep below 10% of total client cash with any one institution. In order to ensure that a conservative approach is maintained, PSL places client cash only with institutions having a minimum rating of A-1 / P-1 from Moody's, Standard & Poor's or Fitch. Institutions and limits are regularly reviewed by the Risk Committee.

| Question: I understand client deposits are initially directed to a PSL account with The Royal Bank of Scotland (RBS). How long is my cash held in the RBS account before it is included in the pool of client cash diversified across the different banks?

| Answer:

- **Deposits made via wire transfer:** Provided the funds are received into the RBS account by 3:30pm, they will be included with the pool of funds placed with various banks that day. Funds received after that time will remain in the PSL account at RBS until the next day when they will form part of the funds to be placed with various banks.
- **Deposits made via BACS:** BACS payments take 3 days to reach RBS. The BACS deposit file is received by PSL in the morning, representing BACS payments sent 3 days before. These BACS deposits are included on the day of receipt by PSL in the pool of cash diversified across various banks that day.
- **Deposits made via cheque:** Cheques are credited to the client's account by PSL and sent to RBS for deposit. Cheques take 3 days to clear so funds in the clearing process remain in your personal bank account. On day three, the cleared funds are included into the pool of cash PSL deposits with the various banks.

| Question: What additional protections do I have on my cash?

| Answer: First, PSL holds money it receives for clients' accounts in accordance with the FSA Client Money Rules. Amongst other things, this means that your money is segregated from PSL's own funds. Second, should any of the banks that PSL uses fail, investor protection provided by the Financial Services Compensation Scheme (FSCS) applies. The limit is currently £50,000 per client per FSA authorised bank. Keep in mind that if you have a personal bank account with that same financial institution, any balances in that account will contribute towards the £50,000 limit.

| **Question:** In the event of failure of one or more of the banks, who would be responsible to make the claim to the FSCS?

| **Answer:** In the event of a bank failure, the FSCS has confirmed that PSL would claim on your behalf relevant to any cash in your PSL account. PSL is required to keep records detailing the amount of your cash that is deposited at any bank at any time.

| **Question:** What if I have more than £50,000 in any one institution?

| **Answer:** If that occurred, you are relying on the creditworthiness of that institution for amounts above £50,000.

| **Question:** Does the Financial Services Compensation Scheme protection apply if my cash is held with PSL within a Self Invested Pension Plan Account, an Offshore Portfolio Bond Account or an Onshore Bond Account, where the legal owner of the account is the pension administrator or bond provider?

| **Answer:** Even though there is a different legal ownership for these types of accounts, your cash held within these types of accounts is protected by the Financial Services Compensation Scheme (up to the £50,000 limit per client per FSA authorised bank), should a bank fail. The FSCS believes that the pension or bond provider would submit the claim on your behalf in the event of bank failure.

| **Question:** What if I have concerns with respect to funds above £50,000?

| **Answer:** If you have concerns, please discuss with your Adviser non-cash alternatives in which you can invest, for example, Gilts or Money Market Funds.

| **Question:** What additional protection do I have on my assets at Pershing?

| **Answer:** PSL provides account protection through Lloyd's of London up to predefined limits, should PSL become insolvent. This Lloyd's of London protection does not cover for market loss of the value of any investment nor does it cover loss of funds should any bank, with which PSL has deposited a portion of your cash, fail.

APPROVED FOR CLIENT USE