

DATE ____ February 2017

THE LORD CHANCELLOR OF GREAT BRITAIN

and

LEGAL & GENERAL INVESTMENT MANAGEMENT LIMITED

DEED OF APPOINTMENT

relating to a

Common Investment Scheme

DEED OF APPOINTMENT

DATE:

PARTIES:

1. **THE LORD CHANCELLOR OF GREAT BRITAIN** (the “Lord Chancellor”).
2. **LEGAL & GENERAL INVESTMENT MANAGEMENT LIMITED** (the “Fund Manager”).

WHEREAS:

- (A) Under the Principal Scheme and pursuant to the Common Investment Scheme 2004 (S.I. 2004 No.266) (as amended by S.I. 2007 No. 1095), provision has been made for the continuance of a fund known as the “Capital Fund” (the “Fund”) for the purpose of the investment of money to be invested in common investment funds in accordance with Section 42 of the Administration of Justice Act 1982 ("the Act") and the Court Funds Rules 2011 and Court Funds Rules (Northern Ireland) 1979, where applicable.
- (B) Pursuant to Section 42(2) of the Act and Regulation 4 of the Principal Scheme, the Lord Chancellor has the power to appoint an investment manager to manage and control assets to which the Principal Scheme applies. The Lord Chancellor wishes to appoint the Fund Manager as investment manager to manage and control the assets of the Fund.
- (C) The Act, and in particular Sections 42(7), 42(9), 42(13) and 45 thereof, makes certain provisions in relation to the manager of the Fund which will be applicable to the Fund Manager.
- (D) In accordance with Section 42(10) of the Act, the Treasury have concurred with the rates and manner of the remuneration of the Fund Manager as set out herein.
- (E) The persons authorised to invest into the Fund are the Accountant General of the Senior Courts acting through the Court Funds Office (England and Wales), the Accountant General of the Court of Judicature of Northern Ireland acting through the Court Funds Office (Northern Ireland) and persons authorised by a Letter of Authorisation of the Lord Chancellor.

NOW THIS DEED WITNESSETH as follows:

1. In exercise of the powers conferred on him by Section 42(2) of the Act the Lord Chancellor hereby appoints the Fund Manager to be the investment manager of the Fund from 18 February 2017 to 17th February 2022 unless otherwise determined. Clause 2 of the Supplementary Provisions supplements this Clause.

2. The Fund Manager will provide investment management and other services referred to in this Deed to the Fund in accordance with the provisions of the Act, the Scheme Particulars and any amendments thereto, any Letter of Authorisation from the Lord Chancellor, and this Deed (including, for the avoidance of doubt, the Supplementary Provisions and the Schedules hereto).
3. The Fund Manager may delegate certain functions in accordance with Clause 5 of the Supplementary Provisions.
4. The Fund Manager will:
 - 4.1 maintain a professional indemnity policy which indemnifies it against liability in law in respect of claims made against it for breach of professional duty by reason of any negligence, error or omission on its part;
 - 4.2 ensure that any person to whom the Fund Manager delegates functions maintains appropriate professional indemnity insurance.
- 5.1 In compliance with the provisions of the Act the Lord Chancellor shall pay to the Fund Manager during the subsistence of the Fund Manager's appointment under this Deed remuneration which shall be payable in respect of each month during which the Fund is in existence and which shall become due in monthly arrears the first payment becoming due on 31st March 2017.
- 5.2 Notwithstanding Clause 5.1 the remuneration shall vary in accordance with the value of the Fund on the relevant due date and shall be charged according to Schedule 3.
- 5.3 Management fees for in-house funds (unit trust schemes and collective investment schemes of which the Fund Manager or an associate is the manager) to the extent that they exceed the fees calculated in accordance with Schedule 3 shall be rebated on a monthly basis and there shall be no initial charges in relation to such funds.
- 5.4 Where the Fund Manager has worked as investment manager of the Fund for only a proportion of any month then the remuneration shall be that proportion of the remuneration otherwise due under Clause 5.1.

5.5 The Fund Manager shall also be entitled to debit the unit holder registration charges and the custody charges in accordance with Schedule 3 to the fund on a monthly basis.

5.6 This Deed may be executed in any number of counterparts and by the Parties to it on separate counterparts, each of which is an original but all of which together constitute one and the same instrument.

IN WITNESS whereof this Deed has been executed on the day and year first above written.

EXECUTED AND DELIVERED as a deed by:

Signature: _____

Title:

for and on behalf of the Lord Chancellor of Great Britain

in the presence of Witness:

Signature: _____

Name:

Title:

Address:

EXECUTED AND DELIVERED as a deed by:

Signature: _____

Title:

for and on behalf of Legal & General Investment Management Limited

EXECUTED AND DELIVERED as a deed by:

Signature: _____

Title:

for and on behalf of Legal & General Investment Management Limited

SUPPLEMENTARY PROVISIONS

1 Definitions and Interpretation

The provisions of Schedule 7 shall have effect.

2 Appointment and Duration

2.1 The appointment made by this Deed shall commence on the Effective Date and shall continue for a period of five years therefrom, such period being the “Initial Period”.

2.2 Not more than six months nor less than three months prior to the end of the Initial Period, the Lord Chancellor may, by written notice to the Fund Manager, extend the appointment of the Fund Manager under the terms of this Deed by a period not exceeding two years from expiry of the Initial Period.

2.3 Notwithstanding this Clause this Deed is subject to termination at any time under Clause 15 of these Supplementary Provisions.

2.4 On termination of its appointment under this Deed the Fund Manager will settle the repurchase of units by an in specie transfer to the incoming operator of the shares representing all the holding in authorised unit trusts owned by the Fund.

2.5 On termination, the Fund Manager will be entitled to receive from the Lord Chancellor or charge to the Fund as provided for under the Act:

2.5.1 all fees, costs, charges, expenses and liabilities accrued or incurred up to the date of termination including any additional expenses reasonably and properly incurred in terminating this Deed; and

2.5.2 all charges and costs incurred in transferring the operation of the Fund to a new operator (if any).

2.6 The Lord Chancellor has been classified by the Fund Manager as Professional Client for the purposes of the FCA Handbook. The Lord Chancellor should note that

the Fund Manager does not intend to provide services for Retail Clients (as defined in the FCA Handbook).

3 **Operation of the Fund**

- 3.1 The Fund Manager will, as agent on behalf of the Lord Chancellor, provide investment management and other services referred to in this Deed to the Fund; the Fund's assets will be invested predominantly in collective investment schemes operated by an Affiliated Company of the Fund Manager.
- 3.2 Specifically the Fund's assets will be invested in the collective investment schemes and within the percentage parameters set out in Schedule 1. The details appearing in Schedule 1 may be amended from time to time by agreement between the parties.
- 3.3 The Fund Manager will provide services to the Fund in accordance with the Act and the Scheme Particulars and any Letter of Authorisation from the Lord Chancellor and otherwise in accordance with operating procedures to be drawn up by the Fund Manager.
- 3.4 The Contract Manager shall notify the Fund Manager of any office-holder, entity, person or class of persons the Lord Chancellor has authorised to hold units in the Fund by delivering to the Fund Manager a copy of any statutory instrument or any Letter of Authorisation from the Lord Chancellor which authorises such office-holders, entities, persons or classes of persons to hold units in the Fund. The Fund Manager shall be considered to have been notified of persons authorised to hold units by reason of falling within an authorised class of persons on receipt of valid instructions to transfer or issue units to such persons. The Fund Manager will use reasonable endeavours to establish the validity of instructions received from parties other than MoJ offices.
- 3.5 The Fund Manager will not permit the issue of units or the transfer of units to persons not authorised by a Letter of Authorisation from the Lord Chancellor or the Scheme Particulars or any subsequent amendment thereto.
- 3.6 The Lord Chancellor will procure that the Contract Manager will provide the Fund Manager with authorities to deal specifying the signatories for the Accountant

General of the Senior Courts through the CFO (England and Wales), as well as signatories for the Official Solicitor and for the Public Trustee. The signatories may be changed from time to time by notice from the Contract Manager to the Fund Manager. CFO (NI) will provide the Fund Manager with the details of authorised signatories in relation to CFO (NI).

3.7 The Court of Protection, the Official Solicitor and the Public Trustee may issue authorities to deal for their clients as necessary.

3.8 The Fund Manager must have sight of the authority to deal before a trade may take place and must register the authority against the client in question so that it may be used repeatedly.

3.9 When a holder of units in the Fund becomes an ex-client, a duly authorised person will inform the Fund Manager, who shall mark the record of the owner of the holding as being an ex-client as a memorandum to prevent deals that are not permitted.

4 **The Services**

4.1 Without prejudice to the generality of the Fund Manager's appointment, the Fund Manager will provide the following services in relation to the Fund:

4.2.1 management of the assets of the Fund;

4.2.2 client servicing for unit holders in the Fund;

4.2.3 processing of distributions by the Fund;

4.2.4 valuation of the Fund and pricing of units in the Fund;

4.2.5 dealing in units in the Fund;

4.2.6 arrange for the custody of the assets of the Fund;

4.2.7 relationship management.

- 4.3 Schedule 2 sets out service levels which the Fund Manager must aim to achieve in providing the Services. Other than losses arising from the Fund Manager's errors or omissions, which will be the Fund Manager's responsibility to correct, a failure to meet any particular service level will not of itself constitute a breach of this Deed.
- 4.4 Where Schedule 2 refers to actions to be taken by the Lord Chancellor, those actions are obligations of the Lord Chancellor under this Deed and the Fund Manager will not be liable for any defects or deficiencies in the Services to the extent that they are due to the Lord Chancellor having failed in those obligations.
- 4.5 In supplying the Services, the Fund Manager shall:
- 4.5.1 co-operate with the Lord Chancellor in all matters relating to the Services and comply with all the Lord Chancellor's instructions;
- 4.5.2 perform the Services with all reasonable care, skill and diligence in accordance with good industry practice in the Fund Manager's industry, profession or trade;
- 4.5.3 use Staff who are suitably skilled and experienced to perform tasks assigned to them, and in sufficient number to ensure that the Fund Manager's obligations are fulfilled in accordance with the Agreement;
- 4.5.4 ensure that the Services shall conform with all descriptions and specifications set out in the Clauses 3 and 4 of the Supplementary Provisions and, subject to clause 4.3, the requirements and service levels set out in Schedule 2; and
- 4.5.5 comply with all applicable laws.
- 4.6 The Lord Chancellor may by written notice to the Fund Manager at any time request a variation to the scope of the Services. In the event that the Fund Manager agrees to any variation to the scope of the Services, the Charges shall be subject to fair and reasonable adjustment to be agreed in writing between the Lord Chancellor and the Fund Manager.

5 **Delegation**

5.1 The Fund Manager may on prior notice to the Contract Manager and to the CFO (Northern Ireland) delegate to agreed third parties the provision of any or all of the Services. All such delegations will be captured in Schedule 6.

5.2 The Fund Manager may employ agents (including Affiliated Companies of the Fund Manager) to perform any administrative, dealing or ancillary services required to enable the Fund Manager to perform its services under this Deed and where reasonably necessary may provide information about the Lord Chancellor and the Fund to such persons. The Fund Manager will exercise reasonable skill and care in the selection, use and monitoring of such agents.

6 **Banking Arrangements**

6.1 In settling transactions for the sale of units in the Fund by the parties named in Part 1 of Schedule 4 the Fund Manager will pay settlement monies into the respective bank accounts of which details are set out therein.

6.2 In settling transactions for the purchase of units in the Fund the Lord Chancellor will procure that the parties named in Part 1 of Schedule 4 will pay settlement monies to the Fund Manager's bank account specified in Part 2 of Schedule 4.

7 **Relationship Management**

7.1 Throughout the currency of this Deed the parties will liaise with each other through a number of individuals. As at the date of this Deed the key contacts are those set out in Schedule 5. Either party may, from time to time, notify to the other party changes in its key contacts and authorised signatories.

7.2 Individuals from among those named in Schedule 5 will meet on a regular basis to discuss the operation of the Fund and shall have the authority to agree in writing changes to operational matters relating to the Fund but subject always to the Act and the Scheme Particulars and any Letter of Authorisation from the Lord Chancellor.

8 **Liability and Indemnity**

8.1 The Fund Manager accepts liability to the Lord Chancellor in its capacity as operator of the Fund in accordance with clause 14 below.

8.2 The Fund Manager will not otherwise be liable for any loss to the Lord Chancellor.

8.3 The Fund Manager will not be subject to any fiduciary or equitable duties which would oblige the Fund Manager to accept responsibilities more extensive than those set out in this Deed or which would prevent or hinder the Fund Manager in acting as provided in this Deed.

8.4 Except insofar as the same may result from the negligence, wilful default or fraud of the Fund Manager, or any delegate appointed by the Fund Manager which are Affiliated Companies of the Fund Manager, the Lord Chancellor agrees to indemnify the Fund Manager against all costs, losses, claims and expenses which may be incurred by it or made against it either:

8.4.1 as a result of any party claiming to be entitled to investments which form part of the Fund at the time when the Fund Manager first assumes management of the Fund; or

8.4.2 in consequence of any breach of this Deed, negligence or fraud of or by the Lord Chancellor of this Deed; or

8.4.3 arising out of any action properly taken by the Fund Manager in accordance with this Deed.

9 **Intellectual Property Rights**

9.1 All intellectual property rights in any materials provided by the Lord Chancellor to the Fund Manager for the purposes of this Agreement shall remain the property of the Lord Chancellor but the Lord Chancellor hereby grants the Fund Manager a royalty-free, non-exclusive and non-transferable licence to use such materials as

required until termination or expiry of the Agreement for the sole purpose of enabling the Fund Manager to perform its obligations under the Agreement.

9.2 All intellectual property rights in any materials created or developed by the Fund Manager pursuant to the Agreement or arising as a result of the provision of the Services shall vest in the Fund Manager. If, and to the extent, that any intellectual property rights in such materials vest in the Lord Chancellor by operation of law, the Lord Chancellor hereby assigns to the Fund Manager by way of a present assignment of future rights that shall take place immediately on the coming into existence of any such intellectual property rights all its intellectual property rights in such materials (with full title guarantee and free from all third party rights).

9.3 Subject to clause 9.4, the Fund Manager hereby grants the Lord Chancellor:

9.3.1 a perpetual, royalty-free, irrevocable, non-exclusive licence (with a right to sub-license) to use all intellectual property rights in the materials created or developed pursuant to the Agreement and any intellectual property rights arising as a result of the provision of the Services; and

9.3.2 a perpetual, royalty-free, irrevocable and non-exclusive licence (with a right to sub-license) to use:

- (i) any intellectual property rights vested in or licensed to the Fund Manager on the date of the Agreement; and
- (ii) any intellectual property rights created during the Term but which are neither created or developed pursuant to the Agreement nor arise as a result of the provision of the Services, including any modifications to or derivative versions of any such intellectual property rights, which the Lord Chancellor reasonably requires in order to exercise its rights and take the benefit of the Agreement including the Services provided.

9.4 The Fund Manager shall indemnify, and keep indemnified, the Lord Chancellor in its capacity as operator of the Fund in full against all direct costs, expenses, damages and losses, including any interest, penalties, and reasonable legal and other professional fees awarded against or incurred or paid by the Lord Chancellor as a direct result of or directly in connection with any claim made against the Lord

Chancellor for actual or alleged infringement of a third party's intellectual property arising directly out of, or in connection with, the supply or use of the Services, to the extent that the claim is attributable to the acts or omission of the Fund Manager or any Staff.

- 9.5 Notwithstanding any other provision of this Deed or the Supplementary Provisions, the Lord Chancellor shall be under a duty to mitigate any costs, expenses, damages or losses arising under or in connection with this Deed.

10 **Governance and Records**

- 10.1 The Fund Manager shall:

- 10.1.1 attend governance meetings with the Lord Chancellor at the frequency and times specified by the Lord Chancellor and shall ensure that its representatives are suitably qualified to attend such meetings; and

- 10.1.2 submit update reports to the Lord Chancellor at the times and in the format specified by the Lord Chancellor.

- 10.2 The Fund Manager shall keep and maintain until 6 years after the end of the Agreement, or as long a period as may be agreed between the Parties, full and accurate records of the Agreement including the Services supplied under it and all payments made by the Lord Chancellor. The Fund Manager shall on request afford the Lord Chancellor or the Lord Chancellor's representatives such access to those records as may be reasonably requested by the Lord Chancellor in connection with the Agreement.

11 **Confidentiality, Transparency and Publicity**

- 11.1 Subject to clause 11.2, each Party shall:

- 11.1.1 treat all Confidential Information it receives as confidential, safeguard it accordingly and not disclose it to any other person without the prior written permission of the disclosing Party; and

- 11.1.2 not use or exploit the disclosing Party's Confidential Information in any way except for the purposes anticipated under the Agreement.
- 11.2 Notwithstanding clause 11.1, a Party may disclose Confidential Information which it receives from the other Party:
- 11.2.1 where disclosure is required by applicable law or by a court of competent jurisdiction;
- 11.2.2 to its auditors or for the purposes of regulatory requirements;
- 11.2.3 on a confidential basis, to its professional advisers;
- 11.2.4 to the Serious Fraud Office where the Party has reasonable grounds to believe that the other Party is involved in activity that may constitute a criminal offence under the Bribery Act 2010;
- 11.2.5 where the receiving Party is the Fund Manager, to the Staff on a need to know basis to enable performance of the Fund Manager's obligations under the Agreement provided that the Fund Manager shall procure that any Staff to whom it discloses Confidential Information pursuant to this clause 11.2.5 shall observe the Fund Manager's confidentiality obligations under the Agreement; and
- 11.2.6 where the receiving Party is the Lord Chancellor:
- (i) on a confidential basis to the employees, agents, consultants and contractors of the Lord Chancellor;
 - (ii) on a confidential basis to any other Central Government Body, any successor body to a Central Government Body or any company to which the Lord Chancellor transfers or proposes to transfer all or any part of its business;
 - (iii) to the extent that the Lord Chancellor (acting reasonably) deems disclosure necessary or appropriate in the course of carrying out its public functions; or
 - (iv) in accordance with clause 12
 - (v) and for the purposes of the foregoing, references to disclosure on a confidential basis shall mean disclosure subject to a confidentiality agreement of arrangement

containing terms no less stringent than those placed on the Lord Chancellor under this clause 11.

11.3 The Parties acknowledge that, except for any information which is exempt from disclosure in accordance with the provisions of the FOIA, the content of the Agreement is not Confidential Information and the Fund Manager hereby gives its consent for the Lord Chancellor to publish this Agreement in its entirety to the general public (but with any information that is exempt from disclosure in accordance with the FOIA redacted) including any changes to the Agreement agreed from time to time. The Lord Chancellor may consult with the Fund Manager to inform its decision regarding any redactions but shall have the final decision in its absolute discretion whether any of the content of the Agreement is exempt from disclosure in accordance with the provisions of the FOIA.

11.4 The Fund Manager shall not, and shall take reasonable steps to ensure that the Staff shall not, make any press announcement or publicise the Agreement or any part of the Agreement in any way, except with the prior written consent of the Lord Chancellor.

12 **Freedom of Information**

12.1 The Fund Manager acknowledges that the Lord Chancellor is subject to the requirements of the FOIA and the Environmental Information Regulations 2004 and shall:

12.1.1 provide all necessary assistance and cooperation as reasonably requested by the Lord Chancellor to enable the Lord Chancellor to comply with its obligations under the FOIA and the Environmental Information Regulations 2004;

12.1.2 transfer to the Lord Chancellor all Requests for Information relating to this Agreement that it receives as soon as practicable and in any event within 2 Working Days of receipt;

12.1.3 provide the Lord Chancellor with a copy of all Information belonging to the Lord Chancellor requested in the Request for Information which is in its possession or control in the form that the Lord Chancellor requires within 5 Working Days (or such

other period as the Lord Chancellor may reasonably specify) of the Lord Chancellor's request for such Information; and

12.1.4 not respond directly to a Request for Information unless authorised in writing to do so by the Lord Chancellor.

12.2 The Fund Manager acknowledges that the Lord Chancellor may be required under the FOIA and the Environmental Information Regulations 2004 to disclose Information concerning the Fund Manager or the Services (including commercially sensitive information) without consulting or obtaining consent from the Fund Manager. In these circumstances the Lord Chancellor shall, in accordance with any relevant guidance issued under the FOIA, take reasonable steps, where appropriate, to give the Fund Manager advance notice, or failing that, to draw the disclosure to the Fund Manager's attention after any such disclosure.

12.3 Notwithstanding any other provision in the Agreement, the Lord Chancellor shall be responsible for determining in its absolute discretion whether any Information relating to the Fund Manager or the Services is exempt from disclosure in accordance with the FOIA and/or the Environmental Information Regulations 2004.

13 **Protection of Personal Data and Security of Data**

13.1 The Fund Manager shall, and shall procure that all Staff shall, comply with any notification requirements under the DPA and both Parties shall duly observe all their obligations under the DPA which arise in connection with the Agreement.

13.2 Notwithstanding the general obligation in clause 13.1, where the Fund Manager is processing Personal Data for the Lord Chancellor as a data processor (as defined by the DPA) the Fund Manager shall:

13.2.1 ensure that it has in place appropriate technical and organisational measures to ensure the security of the Personal Data (and to guard against unauthorised or unlawful processing of the Personal Data and against accidental loss or destruction of, or damage to, the Personal Data), as required under the Seventh Data Protection Principle in Schedule 1 to the DPA;

13.2.2 provide the Lord Chancellor with such information as the Lord Chancellor may reasonably request to satisfy itself that the Fund Manager is complying with its obligations under the DPA;

13.2.3 promptly notify the Lord Chancellor of:

- (i) any breach of the security requirements of the Lord Chancellor as referred to in clause 13.3; and
- (ii) any request for personal data; and

13.2.4 ensure that it does not knowingly or negligently do or omit to do anything which places the Lord Chancellor in breach of the Lord Chancellor's obligations under the DPA.

13.3 When handling Lord Chancellor data (whether or not Personal Data), the Fund Manager shall ensure the security of the data is maintained in line with the security requirements of the Lord Chancellor as notified to the Fund Manager from time to time.

14 **Liability**

14.1 The Fund Manager accepts responsibility for loss suffered by the Lord Chancellor in its capacity as operator of the Fund to the extent that such loss arises as a direct result of its negligence, wilful default or fraud or that of any agent or delegate which is an Affiliated Company or that of its or their officers, directors or employees. Save as provided above, the Fund Manager will not be liable for any loss to the Lord Chancellor.

14.2 Subject always to clause 14.3:

14.2.1 the aggregate liability of the Fund Manager in respect of all defaults, claims, losses or damages howsoever caused, whether arising from breach of the Agreement, the supply or failure to supply of the Services, misrepresentation (whether tortious or statutory), tort (including negligence), breach of statutory duty or otherwise shall in no event exceed a sum equal to 125% of the Charges paid or payable to the Fund Manager; and

14.2.2 in no event shall the Fund Manager be liable to the Lord Chancellor for any:

- (i) loss of profits;
- (ii) loss of business;
- (iii) loss of revenue;
- (iv) loss of or damage to goodwill;
- (v) loss of savings (whether anticipated or otherwise); and/or
- (vi) any indirect, special or consequential loss or damage.

14.3 Nothing in the Agreement shall be construed to limit or exclude either Party's liability for:

14.3.1 death or personal injury caused by its negligence or that of its Staff;

14.3.2 fraud or fraudulent misrepresentation by it or that of its Staff; or

14.3.3 any other matter which, by law, may not be excluded or limited.

15 **Termination**

15.1 The Lord Chancellor may terminate the Agreement at any time by notice in writing to the Fund Manager to take effect on any date falling at least 1 month later than the date of service of the relevant notice.

15.2 Without prejudice to any other right or remedy it might have, the Lord Chancellor may terminate the Agreement by written notice to the Fund Manager with immediate effect if the Fund Manager:

15.2.1 (without prejudice to clause 15.2.5), is in material breach of any obligation under the Agreement which is not capable of remedy;

15.2.2 repeatedly breaches any of the terms and conditions of the Agreement in such a manner as to reasonably justify the opinion that its conduct is inconsistent with it having the intention or ability to give effect to the terms and conditions of the Agreement;

15.2.3 is in material breach of any obligation which is capable of remedy, and that breach is not remedied within 30 days of the Fund Manager receiving notice specifying the breach and requiring it to be remedied;

- 15.2.4 undergoes a change of control within the meaning of section 450 of the Corporation Taxes Act 2010;
- 15.2.5 breaches any of the provisions of clauses 11, 12 and 13;
- 15.2.6 becomes insolvent, or if an order is made or a resolution is passed for the winding up of the Fund Manager (other than voluntarily for the purpose of solvent amalgamation or reconstruction), or if an administrator or administrative receiver is appointed in respect of the whole or any part of the Fund Manager's assets or business, or if the Fund Manager makes any composition with its creditors or takes or suffers any similar or analogous action (to any of the actions detailed in this clause 15.2.6) in consequence of debt in any jurisdiction; or
- 15.2.7 fails to comply with legal obligations in the fields of environmental, social or labour law.
- 15.3 The Fund Manager shall notify the Lord Chancellor as soon as practicable of any change of control as referred to in clause 15.2.4 or any potential such change of control.
- 15.4 The Fund Manager may terminate the Agreement by written notice to the Lord Chancellor if:
- (a) the Lord Chancellor has not paid any undisputed amounts within 90 days of them falling due.
 - (b) there is any material legal or regulatory reason that would prevent either Party from fulfilling its obligations under this Deed.
- 15.5 Termination or expiry of the Agreement shall be without prejudice to the rights of either Party accrued prior to termination or expiry and shall not affect the continuing rights of the Parties under this clause and clauses 4.5, 9, 10.2, 11, 12, 13, 14, 15.6, , 17.3, 18 and 13.8 or any other provision of this Deed that either expressly or by implication has effect after termination.
- 15.6 Upon termination or expiry of the Agreement, the Fund Manager shall:
- 15.6.1 give all reasonable assistance to the Lord Chancellor and any incoming supplier of the Services; and

16 return all requested documents, information and data to the Lord Chancellor as soon as reasonably practicable

17 **Prevention of Fraud and Corruption**

17.1 The Fund Manager shall not offer, give, or agree to give anything, to any person an inducement or reward for doing, refraining from doing, or for having done or refrained from doing, any act in relation to the obtaining or execution of the Agreement or for showing or refraining from showing favour or disfavour to any person in relation to the Agreement.

17.2 The Fund Manager shall take all reasonable steps, in accordance with good industry practice, to prevent fraud by the Staff and the Fund Manager (including its shareholders, members and directors) in connection with the Agreement and shall notify the Lord Chancellor immediately if it has reason to suspect that any fraud has occurred or is occurring or is likely to occur.

17.3 If the Fund Manager or the Staff engages in conduct prohibited by clause 17.1 or commits fraud in relation to the Agreement or any other contract with the Crown (including the Lord Chancellor) the Lord Chancellor may:

17.3.1 terminate the Agreement and recover from the Fund Manager the amount of any loss suffered by the Lord Chancellor resulting from the termination, including the cost reasonably incurred by the Lord Chancellor of making other arrangements for the supply of the Services and any additional expenditure incurred by the Lord Chancellor throughout the remainder of the Agreement; or

17.3.2 recover in full from the Fund Manager any other loss sustained by the Lord Chancellor in consequence of any breach of this clause.

18 **Dispute Resolution**

18.1 The Parties shall attempt in good faith to negotiate a settlement to any dispute between them arising out of or in connection with the Agreement and such efforts shall involve the escalation of the dispute to an appropriately senior representative of each Party.

18.2 If the dispute cannot be resolved by the Parties within one month of being escalated as referred to in clause 18.1, the dispute may by agreement between the Parties be referred to a neutral adviser or mediator (the “Mediator”) chosen by agreement between the Parties. All negotiations connected with the dispute shall be conducted in confidence and without prejudice to the rights of the Parties in any further proceedings.

18.3 If the Parties fail to appoint a Mediator within one month, or fail to enter into a written agreement resolving the dispute within one month of the Mediator being appointed, either Party may exercise any remedy it has under applicable law.

19 **Force Majeure**

In the event of any failure, interruption or delay in the performance of the Fund Manager's obligations hereunder resulting from acts, events or circumstances not within its control, including but not limited to acts of God, industrial disputes, acts or regulations of any governmental or supranational bodies and authorities or of any investment exchange or clearing house or the break-down, failure or malfunction of any telecommunication or computer service, the Fund Manager shall not be liable or have any responsibility for any loss or damage thereby incurred or suffered by the Lord Chancellor.

20 **Variations**

No variation or amendment to this Agreement will be valid unless agreed in writing by the Lord Chancellor and the Fund Manager. Changes to operational matters relating to the Fund may be agreed at the meetings referred to in 7.1 of Schedule 2, subject to confirmation in the minutes of the relevant meetings.

21 **Conflicts of interest**

21.1 The Fund Manager and any of its Associates may effect transactions in which the Fund Manager or its Associate has, directly or indirectly, a material interest or a relationship of any description with another party which may involve a potential conflict with the Fund Manager's duty to the Lord Chancellor and/or the Fund. Subject to any customer order priority rules which may be imposed by the FCA

from time to time, the Fund Manager will take all reasonable steps to ensure that such transactions are effected on terms which are not materially less favourable to the Lord Chancellor or the Fund than if the potential conflict had not existed. Neither the Fund Manager nor any Associate shall be liable to account to the Lord Chancellor or the Fund for any profit, commission or remuneration made or received from or by reason of such transactions or any connected transactions nor will the Fund Manager's fees, unless otherwise provided, be abated.

21.2 The Fund Manager's Conflicts of Interest Policy sets out the types of actual or potential conflicts of interest which affect the Fund Manager's business and provides details of how these are managed. The Fund Manager will provide a copy of its Conflicts of Interest Policy to the Lord Chancellor as soon as reasonably practicable following the Effective Date.

21.3 In accordance with FCA Handbook and the PRA Handbook, the Fund Manager notifies the Lord Chancellor and the Fund that such potential conflicting interests or duties may arise because:

- (a) the Fund Manager or one of its Associates undertakes Regulated Activities for other customers;
- (b) a director or employee of the Fund Manager, or one of its Associates, is a director of, holds, or deals in securities of, or is otherwise interested in any company whose securities are held or dealt in on behalf of the Lord Chancellor or the Fund;
- (c) a transaction is effected in securities issued by an Associate of the Fund Manager or the customer of such Associate;
- (d) a transaction is effected in securities in respect of which the Fund Manager or an Associate of the Fund Manager may benefit from a commission, fee, mark-up or mark-down payable otherwise than by the Lord Chancellor or the Fund, and/or the Fund Manager or an Associate of the Fund Manager may also be remunerated by the relevant counterparty to any such transaction;
- (e) the Fund Manager deals on behalf of the Lord Chancellor and/or the Fund with, or in the securities of, an Associate of the Fund Manager;
- (f) the Fund Manager may act as agent for the Lord Chancellor and the Fund in relation to transactions in which it is also acting as agent for the account of other customers and/or Associates of the Fund Manager;

- (g) the Fund Manager may, acting as principal, sell to or purchase currency from the Lord Chancellor or the Fund and may, in exceptional circumstances, deal in securities as principal with the Lord Chancellor or the Fund;
- (h) a transaction is effected in units or shares of collective investment schemes managed by the Fund Manager or an Affiliated Company or of any body corporate or unincorporated association of which the Fund Manager or an Associate of the Fund Manager is the manager, operator, banker, adviser, custodian or trustee;
- (i) the Fund Manager may effect transactions involving placings and/or new issues with an Associate of the Fund Manager which may be acting as principal or receiving agent's commission;
- (j) a transaction is effected in securities of a company for which the Fund Manager or an Associate of the Fund Manager has underwritten, or managed an issue or offer for sale, within the previous 12 months;
- (k) the Fund Manager or an Associate of the Fund Manager may receive remuneration or other benefits by reason of acting in corporate finance or similar transactions involving a company whose securities are held by the Lord Chancellor or the Fund; or
- (l) a transaction is effected in securities in respect of which the Fund Manager or an Associate of the Fund Manager, or a director or employee of the Fund Manager or an Associate of the Fund Manager, is contemporaneously trading or has traded on its own account or has either a long or short position.

Instructions and Notices

- 22.1 The Fund Manager may rely on any instructions, notices or requests of any persons who are or purport to be a person as set out in Schedule 5 who are persons designated or authorised by or on behalf of the Lord Chancellor to give such instructions, notices or requests in relation to the Fund and this Deed. Acceptable forms of communication will be agreed between the parties from time to time.

23 **Entire agreement**

This Deed (including its Schedules and these Supplementary Provisions that form part of this Deed) constitutes the entire agreement between the parties as to the subject matter of it and supersedes all previous agreements, communications and representations in respect of it.

24 **Miscellaneous**

24.1 Each of the Parties represents and warrants to the other that it has full capacity and authority, and all necessary consents, licences and permissions to enter into and perform its obligations under the Agreement, and that the Agreement is executed by its duly authorised representative.

24.2 Each of the Parties shall bear its own legal costs and expenses in relation to the negotiation and preparation of this Deed.

24.3 To the extent that any of the terms of the following documents conflict, then they shall be considered to prevail in the following order of precedence:

- 1 The body of this Deed
- 2 The Supplementary Provisions
- 3 The Schedules of the Supplementary Provisions Invitation to Tender Technical Response August 2016 (which is not legally binding but may be used for the purpose of understanding the intention of the Parties only)

24.4 A person who is not a party to this Deed shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms.

24.5 In these Supplementary Provisions a reference to a clause is a reference to that clause in these Supplementary Provisions unless otherwise stated.

24.6 The Fund Manager shall be registered with and comply with its obligations under the FCA usual Conduct of Business Rules as in force from time to time.

- 24.7 Nothing in this Deed shall oblige the Fund Manager to comply with any instructions, which the Fund Manager believes may involve any party in breach of any law, rule and regulation.
- 24.8 Any waiver or relaxation either partly, or wholly of any of the terms and conditions of the Agreement shall be valid only if it is communicated to the other Party in writing and expressly stated to be a waiver. A waiver of any right or remedy arising from a breach of contract shall not constitute a waiver of any right or remedy arising from any other breach of the Agreement.
- 24.9 Except as otherwise expressly provided by the Agreement, all remedies available to either Party for breach of the Agreement (whether under the Agreement, statute or common law) are cumulative and may be exercised concurrently or separately, and the exercise of one remedy shall not be deemed an election of such remedy to the exclusion of other remedies.
- 24.10 If any provision of the Agreement is prohibited by law or judged by a court to be unlawful, void or unenforceable, the provision shall, to the extent required, be severed from the Agreement and rendered ineffective as far as possible without modifying the remaining provisions of the Agreement, and shall not in any way affect any other circumstances of or the validity or enforcement of the Agreement.

14. Governing Law and Jurisdiction

- 14.1 The validity, construction and performance of the Agreement, and all contractual and non-contractual matters arising out of it, shall be governed by English law and shall be subject to the exclusive jurisdiction of the English courts to which the Parties submit.

SCHEDULE 1 (Schemes and percentage parameters)

Pursuant to clause 3.2 of the Supplementary Provisions, from and including the Effective Date, the Fund Manager shall invest the assets of the Fund in the following collective investment schemes:

Equity Index Tracker Fund

The Fund has a composite benchmark consisting as follows:

- 55% FTSE-All-Share Index
- 35% FTSE World (ex-UK) Index
- 10% FTSE All World Emerging Markets Index.

The objective of the Fund is to track the return of the composite benchmark by investing in Legal & General authorised unit trusts:

- The FTSE All Share Index exposure will be provided by the purchase of units in the Legal & General UK Index Trust.
- The FTSE World (ex-UK) Index exposure will be provided by the purchase of units in the Legal & General International Index Trust
- The FTSE All World Emerging Markets Index exposure will be provided by the purchase of units in the Legal & General Emerging Markets Index Fund

The objective of each index-tracking unit trust is to track returns of each underlying equity market.

The Fund is invested in the following proportions, subject to the control ranges:

| Target Allocation | Index Exposure | Control Range |
|-------------------|---------------------------------------|------------------|
| 55% | FTSE All-Share Index | +/- 2 per cent |
| 35% | FTSE World (ex-UK) Index | +/- 2 per cent |
| 10% | FTSE All World Emerging Markets Index | +/- 0.5 per cent |

The allocation of investments will be monitored on a daily basis. Should the weightings fall outside of the control ranges, holdings in those Unit Trust(s) which have moved outside the control ranges will be rebalanced by switching between Unit Trusts as necessary such that the resulting distribution is as close as practicable to the target allocation.

Multi-Index Fund Range

Investment in the Multi Index Fund Range shall be agreed between the Fund Manager and the Lord Chancellor under separate instruction.

The objective of the fund range is to generate capital growth and income, and to keep within a predetermined risk profile. The five funds within the range, tailored to meet specific risk requirements, are the **redacted on the grounds of commercial confidentiality**.

SCHEDULE 2 (Requirements and Service Levels)

Requirements

| <u>Area</u> | <u>#</u> | <u>Requirement</u> | <u>Description</u> |
|-------------------------------------|----------|--|--|
| LEGAL AND REGULATORY CONSIDERATIONS | 1 | Services to be provided the supplier | The supplier shall manage the assets of the entire Common Investment Scheme (CIF) (whether one or two products), the management service, and any necessary ancillary services, including (but not limited to): - Arrangement of custody - Fund accounting - Valuation, pricing and dealing - Registrar and transfer agency - Client reporting and contact |
| | 2 | Regulatory status of supplier | The supplier must be an authorised person under the Financial Conduct Authority/ Bank of England Prudential Regulation Authority provisions and listed as an approved organisation on the Financial Services Register for the purposes of providing regulated products and services. |
| | 3 | Regulatory obligations of the CIF supplier | The MoJ intends to rely on the regulatory obligations flowing from the supplier's FCA authorisation in defining the supplier's duties. Those duties will be set out in the Statutory Instruments. The supplier must confirm its willingness to accept the obligations defined in the Statutory Instruments. |
| INVESTMENT AND ASSET MANAGEMENT | 4 | Tracking Deviation | If the collective investment scheme that the Fund is investing in is a tracker fund, the supplier must confirm its willingness to monitor the tracking deviation, both before and after fees and keep within the required range(s). |
| | 5 | Daily valuation and dealing | The supplier must confirm that it can carry out fund valuation and pricing daily, and provide a daily opportunity to buy and/or sell units. |

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| CUSTODY | 6 | Responsibility for custodian | The supplier must make suitable custody arrangements (where applicable) for the assets of the CIF subject to the requirements set out here. |
| | 7 | Choice of custodian | The supplier must select any custodian(s) in accordance with best industry and regulatory practice, and must disclose to the MoJ the custody arrangements it has made and ongoing diligence over that supplier or proposed changes to the arrangements if required |
| | 8 | Insurance of assets in custody | The supplier confirms that any custodian appointed by it or its delegate, maintains sufficient insurance cover to compensate the CIF in the event of losses that the custodian is responsible for under the relevant custody agreement (excluding losses due to market fluctuations). For the avoidance of doubt, should a party be liable under the relevant custody agreement, losses will be covered by them; by insurance or otherwise. |
| | 9 | Disclosure of custody insurance | The supplier will disclose (or arrange the disclosure) to the MoJ of the nature and amount of cover being maintained by all relevant insurances. |
| CLIENT SERVICES | 10 | Permitted unit holders | The supplier confirms that they will accept investments from individuals as directed by the MoJ where such individuals have been granted the relevant authority by MoJ, that is, those listed on the relevant Statutory Instruments and Letters of Authorisation |

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| | 11 | Supplier's relationship with CFO – Accountant General of the Senior Courts as Single Legal Owner | <p>The CFO will continue to hold the relationship that it does with its clients at present. The CFO will issue one aggregate order to buy or sell units per product on each dealing day and receive one aggregate dividend payment (if applicable) per product per dividend date. The CIF supplier will not be required to be aware of the details of the beneficial ownership of the Accountant General's pooled unit holding.</p> <p>These statements are intended to apply to the following aspects of client introduction:</p> <ul style="list-style-type: none"> - Providing a point of contact for the client - Collection and remittance of dividends - Maintaining records of client's portfolios - Accounting for unit holdings <p>The supplier must deal with the CFO as though the Accountant General were the single and sole beneficial owner of all the units held in their name. The supplier must be prepared to receive a single aggregate order from the CFO per dealing day per product to buy or sell units on behalf of the Accountant General. The supplier must issue a single dividend payment per product to the CFO on behalf of the Accountant General. The supplier must maintain a record of the aggregate number of units per product owned by the Accountant General, and the value of these units.</p> |
| | 12 | Supplier's relationship with CFO (Northern Ireland) | <p>The supplier must be prepared to serve the CFO (Northern Ireland) acting on behalf of the Accountant General of the Court of Judicature of Northern Ireland, on the assumption its needs will be similar in kind to those of the CFO (England and Wales).</p> |
| | 13 | Supplier's relationship with the Official Solicitor (OS) and the Public Trustee (PT) | <p>The supplier must deal with the OS and PT on the basis that each OS and PT trust or other representative relationship is a separate entity. The supplier must deal each OS and PT client relationship separately, including recording how many units are owned under each relationship, and must pay dividends (where applicable) separately as mandated by the OS or the PT. The supplier must note that there may be joint title to units, involving the OS or the PT and one or more other trustees.</p> |

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| | 14 | Supplier's relationship with other investors | The supplier shall procure that UTM will accept instructions to buy units from those out of court clients that the Lord Chancellor has instructed UTM as being authorised to buy units in the CIF ("Authorised Clients"). As at the date of this Agreement, the Authorised Clients shall include but not be limited to Court of Protection Deputies and investment managers instructed on behalf of Court of Protection Deputies. The Lord Chancellor may add or remove persons from the list of Authorised Clients at any time by giving notice in writing to UTM. For the avoidance of doubt, units purchased by Authorised Clients are held collectively on the unitholder register of the CIF in the name of the Ministry of Justice and shall be subject to the restrictions in 23 and under Service 1.1. |
| | 15 | Accounting to individual unit holders | The supplier must account twice yearly to ex-client and out of court unit holders in a format to be agreed under the Deed, which is likely to follow closely the format normally used by the supplier for other retail unitised funds. For the avoidance of doubt, there is no requirement for the supplier to provide 'short reports' as was previously required under the FCA Handbook. |
| | 16 | Accounting to individual unit holders | The supplier shall maintain communication with direct unit holders and advise of any change to the medium of communication in advance |

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| | 17 | Accounting to Government Bodies | <p>The supplier must provide the MoJ, or such other Government body or bodies as the MoJ may advise, with annual accounts in a format and on dates to be agreed under the Deed of Appointment. These accounts must satisfy the requirements of the relevant Accounts Direction from time to time issued by the Treasury in respect of the Accountant General's holding (and any corresponding provisions relating to any future investment by the Accountant General of Northern Ireland), and will be subject to external audit by the Comptroller & Auditor General (C&AG) under s45 of the Administration of Justice Act 1982. The financial reporting will also need to satisfy any additional accounting requirements of others such as the OPG, the OS and the PT in relation to unit holdings in the CIF.</p> <p>It is likely that this format will require separate itemisation of:</p> <ul style="list-style-type: none"> - The aggregate holding of the Accountant General - The holding of each OS and PT trust or other relationship - The aggregate holding of the Accountant General of Northern Ireland (if/when applicable) - The holding of each Court of Protection client holding units out of court - The aggregate of all other holdings relating to the overall MoJ agreement. <p>For the purpose of the examination and certification of the statutory accounts prepared by the supplier, or any examination pursuant to section 6(1) of the National Audit Office Act 1983 on the economy, efficiency or effectiveness with which the MoJ has used its resource, the C&AG may examine such documents which are owned, held or otherwise within the control of the supplier and may require the supplier to produce such oral or written explanations as he considers necessary.</p> |
| | 18 | Signing accounts submitted to Government bodies | <p>An authorised officer of the supplier must be prepared to sign the accounts it submits in compliance with "Accounting to Government Bodies" requirement above, before submission.</p> <p>The supplier must confirm that it recognises that the accounts prepared under s45 of the Administration of Justice Act will be laid by the C&AG before each House of Parliament.</p> |

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| 19 | Performance reporting to government bodies | The supplier must provide quarterly investment performance reports to the MoJ. These reports will show, as a minimum, the performance of the fund's assets, the corresponding benchmark performance and the tracking deviation, together with a detailed explanation of the causes of any tracking deviation. |
| 20 | Performance management | The supplier must provide suitably qualified representatives to attend regular quarterly meetings with the Lord Chancellor's Strategic Investment Board, other government bodies or their representatives, to discuss the management and performance of the . In exceptional circumstances (e.g. unsatisfactory performance), the supplier must be prepared to attend more frequent meetings. In such circumstances, the supplier must also be prepared to provide more frequent reports or additional or different kinds of report, at MoJ's discretion. |
| 21 | Reporting to other unit holders | The supplier shall procure that UTM provides yearly annual report and accounts to ex-clients and out of court unit holders in a form to be agreed between the supplier and the MoJ (but this shall, for the avoidance of doubt, not include the provision of 'short reports' which are no longer required under the FCA Handbook). It is expected that this will follow the format normally used for retail funds of this kind. Reports issued in compliance with "Reporting to other unit holders" may include the accounts issued in compliance with "Accounting to individual unit holders" or may be provided separately. |
| 22 | Transfer of units | The supplier must provide a service for transfer (re-registration) of legal title to units. |
| 23 | Restriction on unit ownership | <p>The supplier must be aware that the right to nominal ownership of units is restricted by law. The supplier must operate procedures agreed with the MoJ under the Deed of Appointment to enforce the legal restrictions. For the avoidance of doubt, the following restrictions apply:</p> <ul style="list-style-type: none"> • The supplier must not sell additional CIF units to former OS & PT clients. • The supplier must not sell additional CIF units to 'ex-clients' of the Ministry of Justice. This does not prevent UTM from accepting an instruction from such 'ex-client' to (a) transfer its holdings into its own name or the name of its nominee, or (b) redeem its unit holdings. |

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| 24 | Payments | The supplier will accept payment from and make payment directly to the CFO, out of court clients (or their nominees), the OS and the PT. The supplier will make payment directly to ex-clients (or their nominees). |
| 25 | General Enquiries | <p>The supplier must provide a help desk service for ex-clients (for as long as they hold units in the fund) and out of court unit holders. This service must be available during business hours as specified in the Schedules to the Deed of Appointment.</p> <p>The scope of the help desk service will include:</p> <ul style="list-style-type: none"> - Ad hoc enquiries - Enquiries concerning the dealing procedures - Queries concerning progress of settlement, correspondence and other administrative procedures |
| 26 | Information Sheet | The supplier must publish twice yearly a factsheet for existing and future clients, describing key features of the products. |
| 27 | Disclosure of other income | The supplier must agree to disclose any 'hidden' additional income (e.g. soft commissions) arising from the discharge of its duties under the Deed of Appointment. |
| 28 | Procedures for payment of management fees | The supplier will be required to invoice CFO for any management fees. The process is as described at Schedule 3. The supplier will also be required to deduct from the fund legitimate costs incurred by MoJ in the administration of the fund and to pay those funds to MoJ upon demand. |

Service Levels

| | SERVICE | SERVICE LEVEL |
|-----|--|--|
| 1. | | |
| 1.1 | Authority to Deal | <p>Deals will only be placed on receipt of properly authorised instructions, and, where appropriate, on sight of an authority before a trade is placed.</p> <p>The CFO, the CFO (NI), the Official Solicitor and Public Trustee will notify the Fund Manager on change of status of a client to ex-client where appropriate and the Fund Manager will mark the client record as ex-client, and no further sale instructions will be placed against that client record.</p> <p>Cash and/or securities will only be transferred on receipt of instructions, authorised in accordance with the Authority to Deal of the CFO, CFO (NI), the Official Solicitor and the Public Trustee.</p> <p>Deals will be accepted from Deputies or other attorneys of clients of the CoP, Accountant General, Accountant General (NI) and Official Solicitor or the Public Trustee, in accordance with the appropriate authority.</p> <p>Deals to sell units or transfer units to a nominee will be accepted from ex-clients.</p> |
| 1.2 | Acceptance of properly authorised dealing instructions to buy or sell units. | All properly authorised instructions shall be actioned within 24 hours of receipt; instructions received each Business Day not less than one hour prior to the Valuation Point (12.00 midday) will receive that Business Day's price, working on a forward pricing basis. |
| 1.3 | Telephone dealing | The supplier must be able to accept and execute telephone dealing instructions but these will be considered exceptional. Prior |

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| | instructions – dealing times. | agreement between parties seeking this arrangement will be required. |
| 1.4 | Despatch of contract notes | Contract notes to be despatched no later than close of business the Business Day following the relevant sale or purchase of units. |
| 1.5 | Banking of monies received | Payments will normally be made through CHAPS but where cheque payments are made, these will be banked in a client money account as soon as possible but no later than close of business on the Business Day following receipt. |
| 1.6 | Settlement of sale and repurchase instructions | Repurchase instructions to be settled within 4 Business Days of receipt of instruction. Settlement of telephone sale instructions will be agreed between the parties. |
| 2. | | |
| 2.1 | Set up of permitted unit holders | Unit holder records will be set up within 24 hours of receipt, providing that the day of receipt is a working day, within the appropriate category – <ul style="list-style-type: none"> • Specific persons • Out of court clients • Ex-clients • Nominees Joint holders or designated accounts will be set-up as instructed from time to time, subject to a maximum of 4 joint holders on any one account. |
| 2.2 | Unit holder Record Keeping | A single client nominee account will be maintained for each of: |

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| | | <ul style="list-style-type: none"> • The CFO, in the name of the Accountant General. • The CFO (NI), in the name of the Accountant General of Northern Ireland. • The Official Solicitor, which must contain a number of subsidiary portfolios for those on behalf of whom the Official Solicitor acts. • The Public Trustee, which may contain a number of subsidiary portfolios for those on behalf of whom the Public Trustee acts. <p>Separate client accounts will be maintained for Deputies where invested directly and ex-clients.</p> |
| 2.3 | Transfer of title (including transfer restrictions) | <p>Authorised instructions to transfer stock should be executed within 48 hours of receipt (excluding weekends and public holidays in England & Wales). Transaction confirmation despatched to client no later than 10 Business Days after receipt.</p> <p>The CFO or the CFO (NI) may order the transfer of units of the CIF from the account of the Accountant General or the Accountant General of Northern Ireland, as the case may be, to clients or ex-clients or their nominees.</p> <p>The Official Solicitor or the Public Trustee may purchase units when acting as trustee or personal representative, either solely or jointly with others. If the OS or the PT were to retire as trustee, the successor trustees may retain the units purchased by the OS or the PT in their own name, or that of their nominees or may transfer them to successor trustees but cannot acquire further units. Where the trust terminates upon a beneficiary becoming absolutely entitled the trustee(s) (whether the OS or the PT or their successor trustees) may transfer the units to the former beneficiary or their nominees. That beneficiary may not acquire further units or transfer the existing units to another person.</p> |

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| 2.4 | Call Centre opening hours – enquiries | For CFO Accounts, via the Corporate Accounts Team: 8.30 - 5.30pm Monday to Friday (closed on Bank Holidays in England & Wales). For ex-clients, via the Investor Service Centre: 8.30 - 6pm Monday to Friday (closed on Bank Holidays in England & Wales). |
| 2.5 | Telephone enquiries | Where a telephone enquiry cannot be answered immediately a final response should be given within 4 Business Days of receipt. |
| 2.6 | Written enquiries | Written enquiries to be answered within 4 Business Days where possible. |
| 2.7 | Complaints handling | Written complaints to be acknowledged within 5 working days, and we aim to complete within 10 working days. A full response to be provided within 8 weeks. |
| 2.8 | Amendments to standing data | Processed within 4 Business Days of receipt. |
| 2.9 | Provision of monthly unit holding valuations to nominee clients | Valuations to be provided electronically within 5 Business Days of the end of the month. |
| 2.10 | Provision of twice yearly statements | Despatched within 20 Business Days of the relevant statement valuation dates, currently 22 January and 22 July |
| 2.11 | Notification of death | Acknowledgement of death and request for additional information despatched within 5 Business Days of notification of death. |

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| 3 | | |
| 3.1 | Distribution dates and confirmations | <p>Distribution pay dates will take place twice yearly 6 weeks after the ex-dividend dates.</p> <p>Tax vouchers will be despatched to clients on pay date.</p> |
| 3.2 | Dividend payments | <p>Dividend payments will be credited on pay date. Dividend pay dates will take place 6 weeks after the ex-dividend date.</p> <p>Aggregate payments will be made to the Accountant General, Accountant General (NI) or brokers' nominees by agreement with the brokers as appropriate. All payments will be credited by BACS to the nominated bank accounts. Dividend payments to the OS or PT will be paid as mandated by the OS or PT.</p> <p>Payments to ex-clients will be made by BACS to their nominated account.</p> |
| 3.3 | Provision of dividend details | <p>Dividend details will be provided to the CFO and the CFO (NI) 8 Business Days prior to pay date. Information will include the number of units, gross and net distribution, income tax and equalisation.</p> |
| 3.4 | Tax treatment of income units – AG, OS, PT, AG(NI). | <p>Dividend payments are made gross without the deduction of income tax.</p> |
| | Tax treatment of income units – Individual (ex-court) clients and brokers | <p>Income payments will be made after the deduction of income tax at the basic rate. Income Tax so deducted will be accounted for to the Her Majesty's Revenue and Customs (HMRC).</p> |

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| 4. | | |
| 4.1 | Daily Pricing | Fund will be valued and priced daily, with prices available by 5.00pm. |
| 4.2 | Single pricing | A single price will be quoted for each dealing day. Prices will be published in the FT on a daily basis. |
| 4.3 | Provision of manager's reports and accounts | Manager's reports and accounts will be provided twice yearly within 8 weeks of the accounting date subject to sign off by auditors and relevant government departments. For the avoidance of doubt, the Fund Manager shall not have to provide 'short reports' as these are no longer required under the FCA Handbook. |
| 4.4 | Submission of accounts to Government bodies | <p>Annual accounts will be provided to the Office of the Accountant General and Comptroller and Auditor General (C&AG) and signed by an FCA approved person prior to submission. The format must satisfy Treasury requirements.</p> <p>Where required, oral or written explanations in relation to the accounts will be provided within 5 Business Days of receipt of the query.</p> |
| 5 | | |
| 5.1 | Benchmark tracking/tolerance | <p>Control ranges to be agreed between parties but are currently between +/- 50 to 200 basis points depending on the nature of the investment and the distribution of funds among investment vehicles.</p> <p>Cash flow must be used to adjust asset allocation on an ongoing basis.</p> |
| 5.2 | Benchmark reporting | Benchmark reporting to be made against an agreed industry benchmark. |
| 5.3 | Tracking error management | Portfolio tracking error is expected to be within +/- 50 basis points (on an ex-ante-basis) per annum before and after deduction of fees. |

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| 5.4 | Provision of performance tracking reports | Month-end closing prices will be used for monthly tracking error reports produced within 14 Business Days of each month-end. |
| 5.5 | Provision of quarterly investment reports | <p>Quarterly investment reports containing:</p> <ul style="list-style-type: none"> • performance data, • benchmark performance data, • tracking errors (if applicable), • Fund manager commentaries and, • transaction reports <p>to be delivered to the Lord Chancellor's Strategic Investment Board within 20 Business Days of the end of each third month.</p> |
| 5.6 | Fund Objectives and Guidelines | Any specific fund restrictions will be stipulated within a standard document (FOGS) and must be be automatically monitored on a daily basis. |
| 6 | | |
| 6.1 | Custody arrangements – Equity Index Tracker Fund | Selection of any custodian(s) shall be in accordance with best industry and regulatory practice. Where appropriate and available, information relating to the appointment of the custodians to be made available to the Authority. |
| 6.2 | Custody arrangements – underlying funds | Selection of any custodian(s) shall be in accordance with best industry and regulatory practice. Where appropriate and available, information relating to the appointment of the custodians to be made available to the Authority. |
| 6.3 | Insurance of assets in custody | Disclosure of the nature and amount of cover to be provided annually. |

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| 7 | RELATIONSHIP MANAGEMENT | |
| 7.1 | Regular service meetings | <p>Formal quarterly meetings to take place with the Lord Chancellor's Strategic Investment Board on agreed dates. The meetings will deal with the following subjects:</p> <ul style="list-style-type: none"> • Fund performance. • Market reports • Other aspects of the Service Level Agreement <p>A suitably qualified representative from the Fund Manager will attend.</p> <p>Other Ad-hoc meetings to be called at request of either party (on reasonable notice).</p> |
| 7.2 | Provision of information | <p>Requests for information other than that specified elsewhere in the Deed of Agreement will be acknowledged within 2 Business Days of receipt. In each case, a delivery date will be agreed between parties.</p> |

SCHEDULE 3

(Fees and Expenses)

The Fund Manager is the appointed investment manager of the collective investment schemes listed in Schedule 1 (the “In-House Funds”). The authorised fund manager of the In-House Funds and the appointed custodian are entitled to fees and expenses under the relevant prospectus of the relevant In-House Fund, the fund management fee (“FMF”). The FMF comprises the annual management charge (“AMC”) and the registration fees, safe custody fees, transaction charges and costs incurred in underlying holdings (the “On-Fund Charge”). The authorised fund manager is an Affiliated Company of the Fund Manager and may share the AMC with the Fund Manager and arrange for the relevant fees to be paid to the custodian.

FMF of the In-House Funds:

1. Multi-Index Fund Fees

Investments in the L&G Multi-Index Fund will be charged a FMF of **redacted on the grounds of commercial confidentiality**. The OCF may deviate from this figure due to the look through to costs within underlying investments held by the L&G Multi-Index Fund.

2. Equity Index Tracker Fund Fees

Investments in the Equity Index Tracker Fund will be charged fees and expenses, comprising the aggregate of the investment management fee, unit holder registration charge and the custody fees as follows:

Redacted on the grounds of commercial confidentiality

Unit Holder Registration Charge

Redacted on the grounds of commercial confidentiality

Redacted on the grounds of commercial confidentiality

Custody services for the Equity Index Tracker Fund Assets

The following charges will be deducted from the Fund:

Custody services for the Equity Index Tracker Fund Assets

3. Value Added Tax

Charges are subject to VAT, which will be added and payable where applicable.

4. Invoices

Address invoices for fees and expenses to:

Fund Operations Team, Legal & General Investment Management Limited, 4th Floor Brunel House, Fitzalan Way, Cardiff, CF24 0EB.

The Fund Manager will render invoices in the name of The Accountant General of the Senior Courts.

In compliance with the provisions of the Act the Fund Manager will invoice monthly for its fees and expenses in relation to the Fund. The process will be as below:

- The Fund Manager sends a monthly invoice to MoJ via the Office of the Accountant General.
- MoJ will invoice the Fund Manager for the same sum plus the amount due to meet the costs of the Lord Chancellor's Strategic Investment Board.
- The Fund Manager will then deduct the amount invoiced by MoJ directly from the Fund, and make payment to MoJ for the amount due to meet the costs of the Lord Chancellor's Strategic Investment Board.

SCHEDULE 4
(Banking Arrangements)

Part 1
(Investors' Accounts)

Settlement to the Court Funds Office

Redacted on the grounds of commercial confidentiality

Settlement to the Official Solicitor

Redacted on the grounds of commercial confidentiality

Settlement to the Public Trustee

Redacted on the grounds of commercial confidentiality

Settlement to the Court Funds Office (Northern Ireland)

Redacted on the grounds of commercial confidentiality

Part 2
(Legal & General account)

Settlement to Legal & General

Redacted on the grounds of commercial confidentiality

SCHEDULE 5
(Communications)

| Name and Title | Contact details | Authority |
|--|---|---|
| MoJ Offices | | |
| <p>Any notice to be given by one party to the other under, or in connection with, this Deed shall be given in writing and signed by or on behalf of the party giving it. It shall be served by sending it by fax to the number set out below or delivering it by hand, or sending it by pre-paid recorded delivery, special delivery or registered post, to the address set below and in each case marked for the attention of the relevant Party (or as otherwise notified from time to time). Any notice so served by hand, fax or post shall be deemed to have been duly given:</p> <p>(a) in the case of delivery by hand, when delivered;</p> <p>(b) in the case of fax, at the time of transmission;</p> <p>(c) in the case of prepaid recorded delivery, special delivery or registered post, at 10am on the second Business Day following the date of posting.</p> <p>PROVIDED THAT in each case where delivery by hand or by fax occurs after 6pm on a Business Day or on a day which is not a Business Day, service shall be deemed to occur at 9am on the next following Business Day. References to time in this clause are to local time in the country of the addressee.</p> | | |
| | Court Funds Office Glasgow G58 1AB Tel: redacted on the grounds of the protection of personal data | 1.Provision of authorities to deal containing the signatories of the CFO 2. Instructions to mark unit holders as ex-clients or out of court clients 3. Receipt of Annual Reports and Factsheets |
| | Office of the Accountant General Zone 3A 102 Petty France London SW1H 9AJ | Receipt of invoices |
| | Court Funds Office Glasgow G58 1AB Tel: redacted on the grounds of the protection of personal data | 1. Administration 2. Receipt of monthly valuations 3. Day to day operations |
| | Court Funds Office Glasgow G58 1AB Redacted on the grounds of the protection of personal data | Administration Receipt of contract notes Receipt of monthly valuation for nominee accounts Handling routine enquiries |

| | | |
|---------------------|--|--|
| LGIM Offices | | |
| | | Fund performance and benchmarking enquiries |
| | | Corporate Relationship Manager General enquiries in relation to contract management |
| | | Acceptance of telephone dealing instructions, receipt of stock transfer instructions, unit conversion instructions and registration changes, banking and settlement queries, distribution and dividend enquiries |
| | | Escalated queries |

SCHEDULE 6

(Delegation)

The Fund Manager may delegate certain functions in accordance with Clause 5 of the Supplementary Provisions. In particular, as highlighted in Schedule 2 section 14, Ex-clients will become direct unit-holders in the collective investment schemes managed by the supplier's delegate, Legal & General (Unit Trust Managers) Limited (UTM).

SCHEDULE 7
(Definitions and Interpretation)

In this Deed:

References to any enactment, order, regulation or other similar instrument shall be construed as a reference to the enactment, order, regulation or instrument as amended by any subsequent enactment, order, regulation or instrument.

Accountant General means the Accountant General of the Senior Courts of England and Wales and the Account General (NI) means the Accountant General of the Court of Judicature of Northern Ireland;

Affiliated Companies means any company which is a subsidiary or parent undertaking of the Fund Manager from time to time, and any subsidiary undertaking of any such parent undertaking while it is a parent undertaking of the Fund Manager. “Subsidiary undertaking” and “parent undertaking” shall have the meanings respectively ascribed to them in Section 1162 of the Companies Act 2006;

Associate means a company or other person connected to the Fund Manager;

Business Day means any day except Saturdays, Sundays and bank and public holidays in England, or any other day when the London Stock Exchange is not open for business;

Central Government Body means a body listed in one of the following sub-categories of the Central Government classification of the Public Sector Classification Guide, as published and amended from time to time by the Office for National Statistics:

- (a) Government Department;
- (b) Non-Departmental Public Body or Assembly Sponsored Public Body (advisory, executive, or tribunal);
- (c) Non-Ministerial Department; or
- (d) Executive Agency

CFO means the Court Funds Office and CFO (NI) means the Court Funds Office Northern Ireland;

Confidential Information means all information, whether written or oral (however recorded), provided by the disclosing Party to the receiving Party and which (i) is known by the receiving Party

to be confidential; (ii) is marked as or stated to be confidential; or (iii) ought reasonably to be considered by the receiving Party to be confidential;

Contract Manager means [insert name] (whose details appear in Schedule 5) or any other person notified to the Fund Manager by or on behalf of the Lord Chancellor;

DPA means the Data Protection Act 1998

Effective Date means 18 February 2017;

FCA means the Financial Conduct Authority;

FCA Handbook means the FCA's handbook of rules and guidance, as amended from time to time or any replacement issued by any successor authority to the FCA;

FOIA means the Freedom of Information Act 2000;

Information has the meaning given under section 84 of the FOIA;

Initial Period means the period of time so described in Clause 2.1 of the Supplementary Provisions;

Letter of Authorisation means a letter by which the Lord Chancellor exercises his power under the Act;

Lord Chancellor means the Lord Chancellor or any office-holder who may acquire his functions under section 42 of the Act and the Schemes made under it during the continuance of the appointment made by this Deed and any extensions to that appointment;

MoJ means Ministry of Justice (or any successor department);

Party means the Fund Manager or the Lord Chancellor, on behalf of the Fund (as appropriate), and "Parties" shall mean both of them;

Personal Data means personal data (as defined in the DPA) which is processed by the Supplier or any Staff on behalf of the Customer pursuant to or in connection with this Agreement;

PCFM means a private client fund manager authorised by the Court of Protection, the Official Solicitor or the Public Trustee to manage funds, whether under contract to the MoJ or not;

Principal Scheme means the Common Investment Scheme 2004 (SI 2004 No.266) created under the Act;

Request for Information has the meaning set out in the FOIA or the Environmental Information Regulations 2004 as relevant (where the meaning set out for the term “request” shall apply);

Scheme Particulars means the rules by which the Fund Manager must manage the Fund, as amended by written agreement between the Parties from time to time;

Services means those services referred to in Clauses 3 and 4 of the Supplementary Provisions and more particularly described in Schedule 2;

Staff means all directors, officers, employees, agents, delegates, consultants and contractors of the Supplier and/or of any sub-contractor of the Supplier engaged in the performance of the Supplier’s obligations under the Agreement;