



Saga Share Direct is provided by Equiniti Financial Services Limited

Investment Risk Warnings for Services

March 2018

Before you accept the Terms and Condition and engage in Saga Share Direct Services, it is important that you read

Definitions used in these Risk Warnings are the same as those used in our Terms and Conditions, unless otherwise specified.

1. Buying Investments (Shares) can involve risk. The value of your Investments and the income from them can go down as well as up and is not guaranteed at any time. You may not get back the full amount you invested. Information on past performance is not a reliable indicator for future performance. Information on risks involved for specific Investments can be found on the Website.
2. The potential gains and losses that may arise from your investments will depend on your appetite for risk and how you manage your approach to risk. Placing all your money into one type of investment can be a high risk strategy. The value of your investment could increase significantly, but it could drop significantly too; there is a risk that you may lose the entire principal amount invested. A managed approach to risk may be to diversify your investments across different companies' shares and different asset classes.
3. The Saga Share Direct Certificated Trading Service is provided to you by Equiniti Financial Services Limited ("Equiniti"). If you have engaged in any other services of Equiniti, these will be aggregated with the Services for the purposes of determining a maximum claim under the Financial Services Compensation Scheme.
4. Our service is provided on an execution-only basis, which means we will not give you any form of investment advice or tax advice, or advise you about the merits of a particular transaction or otherwise. In providing our Services, we are not required to assess the suitability for you of the Investments or Services provided or offered and therefore you will not benefit from the protection of the FCA Rules on assessing suitability. An assessment of suitability takes into account an investor's knowledge and experience, financial situation and investment objectives and applies only when a firm makes a personal recommendation or manages investments.
5. The Services offered by us and the Investments those provide access to may not be suitable for you. If you have any doubts as to the merits of an Investment, you should seek advice from an independent financial adviser who is authorised under the Financial Services and Markets Act 2000 to advise on such Investments.
6. Certain Investments may not be or become readily realisable. They are Investments in which there is a restricted market and it may therefore be difficult to sell these Investments at a reasonable price and in some circumstances it may be difficult to sell them at any price or obtain reliable information about their value. You should not buy these Investments unless you have carefully thought about whether you can afford them and whether they are right for you.
7. Under certain conditions it may be difficult or impossible to liquidate a position. This may occur, for example, at times of rapid price movement if the price rises or falls in one trading session to such an extent that under the rules of the relevant exchange trading is suspended or restricted
8. Where we register your Investments in the name of one of our Nominees or hold them with a Sub-custodian, the Nominee or Sub-custodian will hold your Investments together with those of our other customers in a pooled account. The Investments held in a pooled account in this way cannot be distinguished by individual customers. This means that if the Nominee or Sub-custodian defaults or becomes insolvent and there is a shortfall in the pooled account which cannot be reconciled, you (and our other customers) may share proportionately in that shortfall.
9. We will hold your Investments in one or more pooled accounts, therefore, you may receive dividends or other distributions net of tax which has been paid or withheld at rates that are less beneficial than those that might apply if the Investments were held in your own name or not pooled. In addition special benefits to shareholders or shareholder incentives attached to your Investments may be lost.
10. We may deal for you in Investments that are or have been the subject of "stabilisation". Stabilisation enables the market price of an investment to be maintained artificially during the period when a new issue of Investments is sold to the public. Stabilisation may affect not only the price of the new issue but also the price of other Investments relating to it. Stabilisation is permitted under the FCA Rules in order to help counter the risk that, when a new issue comes onto the market for the first time, the price can sometimes drop for a time before buyers are found. It may take place for a limited period only. There are limits on the price at which shares may be stabilised. Stabilisation is carried out by a "stabilisation manager" (normally the firm chiefly responsible for bringing a new issue to market). As long as the stabilising manager follows a strict set of rules (the Stabilisation Rules), he is entitled to buy back securities that were previously sold to investors or allotted to institutions, which have decided not to keep them. The effect of this may be to keep the price at a higher level than it would otherwise be during the period of stabilisation.
The Stabilisation Rules:
 - (a) limit the period when a stabilising manager may stabilise a new issue;
 - (b) fix the price at which he may stabilise (in the case of shares and warrants but not bonds); and
 - (c) require him to disclose that he may be stabilising but not that he is actually doing so.

11. The fact that a new issue or a related security is being stabilised should not be taken as any indication of the level of interest from investors, nor of the price at which they are prepared to buy the securities.
12. There is an extra risk of losing money when purchasing Investments in some smaller companies, including penny shares. There may be a significant difference between the bid and offer price of these shares and they may not be readily realisable. If you have to sell these Investments immediately, you may get back less than you paid for them. The price may change quickly and may go down as well as up.
13. It is possible that any orders you give us to sell or purchase Investments will be effected at or around the same time as similar orders by other customers of Equiniti. Your orders could be aggregated with orders made by another Equiniti customer. Generally, we will only aggregate an order from you with other orders if we believe it is unlikely that such aggregation will work to your disadvantage.
14. As a consequence of using our Services, you may alter your personal tax position. The levels of and bases of taxation can change. Your Investments will be registered in the name of one of our Nominees or held by us with a Sub-custodian. The Nominee or Sub-custodian will hold your Investments together with those of our other customers in a pooled account. Therefore, the Investments will not be distinguishable by customer/ beneficial owner, the type of account within which they were purchased or to which they were transferred, the country of residence of the beneficial owner, or any other factors that might have a bearing on the rate at which dividends or other distributions in relation to those Investments might be taxed. As a consequence, and because dividends and other distributions may be taxed at source, you may receive dividends or other distributions net of tax which has been paid or withheld at rates that are less beneficial than those that might otherwise be applicable were the Investments held in your own name or in allocated accounts. You should consult your own tax adviser to understand any applicable tax consequence that might arise.
15. Exchange-rate fluctuations may adversely affect the value, price or income of non-UK Investments priced in foreign currencies. Foreign markets will involve different risks from UK markets and in some cases the risks will be greater. There may be different settlement, legal and regulatory requirements from those applying in the UK. The potential for profit or loss from transactions on foreign-denominated contracts will be affected by fluctuations in foreign-exchange rates.
16. Settlement of transactions is undertaken via CREST. Therefore, our Services may be used only for Investments that can be settled via CREST. Details of the Investments are on the Website. We can confirm the availability of individual Investments on request. It is possible that changes to the Investments available may occur from time to time and the Website will be updated accordingly.
17. Interest rates can move and change due to a number of factors, including the decisions of central banks and governments, and inflation. Some of these factors will affect short-term rates while others will affect the yields on a longer term basis across the yield curve. Inflation is the sustained increase in prices over time. The rate of inflation is important to consider, as it may influence the return on an investment, especially fixed-interest investments - the higher the rate of inflation, the lower the real value of future returns on a fixed investment.
18. Systemic risk is the risk of disruption to the financial system triggered by an event such as global or regional economic downturn or institutional failure that causes chain reactions resulting in price volatility, loss of investor confidence, significant losses and/or market failure. These can be unpredictable and difficult to mitigate against.
19. Before you begin to trade, you should obtain details of all commissions and other charges for which you will be liable. If any charges are not expressed in money terms (but, for example, as a percentage of contract value), you should establish what such charges are likely to mean in specific money terms.
20. Upon any trade settlement, you should be aware that the transfer of your stock or cash to and from the stockbroker may pass through a commercial settlement system (e.g. CREST) under what is defined in the market as 'delivery versus payment'. During this 'delivery versus payment' window any cash entitlement being paid to or received from the stockbroker will not be protected by us as client money, as defined under the FCA's rules.

Contact us:

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