



Investor
Services

RBC Investor Services Trust, UK Branch

Your guide to the Part VII transfer to
CACEIS Bank S.A., UK Branch

October 2023

Your guide to the Part VII transfer

We are changing our business model in the UK. We are proposing to transfer part of the custody and middle office business from the UK Branch of RBC Investor Services Trust (**RBC IS Trust**) to the UK branch of CACEIS Bank S.A. (**CACEIS Bank**). This means that certain products and services currently held or provided by the UK branch of RBC IS Trust will in the future be held or provided by the UK branch of CACEIS Bank.

We're using a legal scheme called a "Banking Business Transfer Scheme" under Part VII of the Financial Services and Markets Act 2000 (the **Scheme**).

This guide is to help you understand the proposed transfer of part of the business of the UK branch of RBC IS Trust to the UK branch of CACEIS Bank, what is happening, and how the changes might affect you. If having read the guide you have any questions, please contact your Relationship Manager or email us at partvii_client_queries@rbc.com.

In addition to the detail outlined in the customer guide below, a migration guide specific to your transition will also be sent to you in the coming weeks. This will go into further detail on what is expected from you in preparation for the migration, and any differences in service you might expect to see. This migration is supported by a dedicated migration team.

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Part A – Overview

1. What are the key dates?

We need the approval of the High Court before we can transfer part of the business of the UK branch of RBC IS Trust to the UK branch of CACEIS Bank. The key stages in getting the Court's approval are:

- 28 July 2023 – a Directions Hearing was held at the High Court to seek approval for our application for the court process to begin;
- 31 October 2023 – a Sanction Hearing for the High Court to consider the terms of the transfer and any concerns, and approve the transfer; and
- 9 December / 20 January 2024 / 10 February – the currently scheduled transfer dates if the transfer is approved (the **Effective Date**).

If there are any changes to the court dates or the Effective Date, we will post details on the website at <https://www.rbcits.com/en/who-we-are/caceis/rbcis-trust-uk-transfer.page>.

2. Where is the Court Hearing?

The Court Hearing to approve the transfer is due to take place on 31 October at the Rolls Building (Chancery Division, Rolls Building, 7 Rolls Building, Fetter Lane, London, EC4A 1NL, United Kingdom).

3. Can I opt out of the Scheme?

No, you cannot opt out of the Scheme.

4. Do I need to do anything?

As is typical upon an operational migration of a custody client, you may need to make certain updates to your standard settlement instructions and systems configurations as a result of your migration to the UK Branch of CACEIS Bank (see Part C and Part E of this Guide). You will be clearly notified of any action required of you as part of the migration process.

5. What should I do if I have any concerns?

We recommend that you read this guide and the statement summarising the terms of the Scheme enclosed with it to help you to understand if the transfer may adversely affect you and, if so, the further steps you may wish to take.

6. How do I find out more?

As always, we are here to support you and help answer any questions you may have.

Please either:

- email us at partvii_client_queries@rbc.com – you will need to include your unique reference number shown in the top-left corner of the letter we sent you about this; or
- call your Relationship Manager to discuss any questions that you might have.

If you would like a printed copy of any of the key scheme documents on our website, please contact us using the details above and we will be happy to send this to you.

Part B – CACEIS Bank

7. Who is CACEIS Bank?

CACEIS Bank is a Societe Anonyme incorporated under the laws of France with registered number 692024722 and whose registered office is at 89-91 rue Gabriel Peri, 92120 Montrouge, France. CACEIS Bank's UK Branch has its UK establishment office at Broadwalk House 5 Appold Street, London, EC2A 2DA, with UK establishment number BR018892.

A link to their website can be found here: <https://www.caceis.com/who-we-are/>

The UK branch of CACEIS Bank is authorised by the Prudential Regulation Authority (the **PRA**) and regulated by the PRA and Financial Conduct Authority (the **FCA**) under firm reference number 622691, with permission to, among other things, accept deposits and provide safekeeping and administration of financial instruments under the UK Temporary Permissions Regime (the **UK TPR**). The UK TPR ends on 31 December 2023. In light of this, the UK branch of CACEIS Bank has applied for full authorisation and the necessary permissions pursuant to Part 4A of the Act.

8. What is the credit rating of CACEIS Bank?

The CACEIS Group has a long-term senior unsecured debt rating of A+ (S&P), Aa3 (Moody's) and A+/AA- (Fitch). CACEIS' ratings with Moody's and Fitch benefit from Crédit Agricole's overall rating. The CACEIS Group is owned 69.5% by the Crédit Agricole Group and 30.5% by the Santander Group.

Part C – The impact on your products and services

9. Will all of my products transfer?

The custody and safekeeping services (including the acceptance of deposits), middle office services (including trade order management services, corporate action management services, valuation services and IBOR services), and account control services currently provided by the UK branch of RBC IS Trust will be transferred to the UK branch of CACEIS Bank on the Effective Date. No other products or services are expected to transfer.

The spot foreign exchange and securities lending services provided to certain of the customers of the UK Branch of RBC IS Trust will not transfer under the Scheme. CACEIS Bank, UK Branch will provide spot foreign exchange services to customers of the Transferring Business. CACEIS Bank will provide securities lending services to customers of the Transferring Business through CACEIS Bank, Luxembourg Branch. Customers will have the option to: (a) continue using RBC securities lending services under their existing arrangements with RBC; (b) enter into new securities lending agreements with CACEIS Bank, Luxembourg Branch or (c) enter into a new securities lending agreements with third parties.

The fund order execution services provided by the UK branch of RBC IS Trust and RBC Investor Services Bank S.A. are not intended to transfer under the Scheme and shall terminate prior to the Effective Date. In order to ensure customers may continue to access fund order execution services following the Effective Date, CACEIS Bank, UK Branch will offer such services to customers of the Transferring Business, which will be documented by way of an addendum to the existing custody agreements, or such customers may alternatively enter into new fund order execution agreements with third parties.

Certain assets and liabilities (including, but not limited to, assets or liabilities that are the subject of insolvency proceedings) that require additional perfection steps for securing effective transfer will transfer once these additional steps have been completed on a date following the Effective Date (the **Subsequent Transfer Date**). In the period between the Effective Date and Subsequent Transfer Date, the effect of the Scheme will be such that RBC IS Trust will duplicate its custody agreements with the relevant customers whose assets and/or liabilities do not transfer on the Effective Date, with such duplicated custody agreements in effect until the relevant assets and/or liabilities transfer to CACEIS Bank on the Subsequent Transfer Date.

10. Will the transfer result in any changes to my existing products, services or the way my account is managed?

Save with respect to the spot foreign exchange, securities lending and fund order execution services, your existing products, services and day to day custody activities will remain unchanged by the Scheme (unless we've notified you separately). The way you bank with us and the service you receive won't be affected. If you open a new account between now and the Effective Date, this new account will also be opened with the UK branch of CACEIS Bank.

Notwithstanding the above, as is customary on an operation migration of a custody business, the migration will give rise to reporting differences (principally in terms of systems configuration) which may require customers to make changes to systems coding. You will be notified of any updates on securities and cash accounts and SSIs which may require you to update your systems configuration as part of the migration process.

11. Will there be any changes to my interest rate on my products?

There will be no immediate changes to interest rates as a result of the transfer.

From the Effective Date of the transfer, CACEIS Bank will take over the responsibility for the management of any interest rates from RBC IS Trust. The Scheme will provide that CACEIS Bank will not, for a period of three months following the relevant Effective Date vary rates.

12. What happens if I've applied for an account or purchased a product, but it's not completed at the time of transfer?

If you're applying for a product that is with RBC IS Trust, we will continue to process your application and the provider of the product will be CACEIS Bank. You'll not have to do anything.

13. If I have a product which has related security arrangements or guarantees, what will happen?

The transfer to CACEIS Bank won't affect the validity of any existing security arrangements which a customer has granted over their deposits or assets currently held by RBC IS Trust, UK Branch, to the extent that such security interests are governed by English law or relate to deposits or Assets under Custody located in the UK. The effect of the scheme is such that any asset and liability transferring under the Scheme shall be transferred to CACEIS Bank, subject to any security that affects it, such that no further perfection steps are required.

However, where assets subject to security interests are held in, or subject to the law of, jurisdictions where the enforceability of a Part VII transfer is not recognised, further perfection steps may be required to perfect the relevant security interests. Customers are therefore directed to communicate with the relevant third parties who hold security interests over their assets held under Custody by the UK branch of RBC IS Trust and consider any further steps that may need to be taken to perfect the security taken over such assets.

Part D – Terms and conditions and litigation

14. Will there be any changes to my Terms and Conditions?

The terms and conditions linked to the custody or middle office agreements will change to reflect that these have moved to CACEIS Bank.

Your existing products, services and day to day banking will remain otherwise unchanged by the transfer. We will contact you separately if any further changes are required to the way your products are provided to you (including the terms and conditions applicable to them).

The terms of your custody contracts provide for a restriction on the transfer of such contracts to a third party by RBC IS Trust without your consent (a “**Non-Assignment Restriction**”). In respect of the transfer of your custody contracts to CACEIS Bank, the Non-Assignment Restriction will be overridden by the effect of the Scheme but will otherwise continue to apply such that CACEIS Bank will not be able to subsequently transfer your custody contract to a third-party without your consent.

15. What happens if I am involved in a complaint or litigation with RBC IS Trust in relation to an account or product that is transferring?

Any complaint or litigation in relation to a transferring customer contract, which arises prior to the Effective date of the Scheme, will remain with RBC IS Trust. CACEIS Bank is responsible for any claim that arises following the Effective Date regarding a transferred customer contract. This will happen automatically, and you do not need to take any action in respect of the transfer.

16. My account is currently in default or subject to legal proceedings, do I need to do anything differently?

Even though the assets and deposit liabilities held in accounts with RBC IS Trust are being transferred to CACEIS Bank, the transfer won't affect the validity of any existing court orders.

However, you may have separate obligations, or may choose to notify beneficiaries of court orders that the holder of the relevant accounts has changed from the UK branch of RBC IS Trust to the UK branch of CACEIS Bank.

17. Will the transfer impact my protections under the Financial Services Compensation Scheme?

If you hold an account with RBC IS Trust, then your protections under the Financial Services Compensation Scheme (**FSCS**) will remain unchanged.

If you have deposits with RBC IS Trust and the Court approves the transfer, deposits held at the UK branch of RBC IS Trust will be transferred to the UK branch of CACEIS Bank.

The FSCS can pay compensation to clients if a financial institution is unable to meet its financial obligations. The FSCS is the UK's Deposit Guarantee Scheme and can pay compensation in respect of an eligible deposit if a bank is unable to meet its financial obligations. Subject to eligibility, a depositor is entitled to claim up to the current FSCS limit, which is £85,000. The level of cover provided from the FSCS in respect of investment business is limited to £85,000 for any firm that fails after 1 April 2019.

All Transferring Customers are able to withdraw or transfer any deposits held with the Transferor, (irrespective of whether they are also an existing customer of the Transferee), without incurring any penalty.

If any parts of your deposits are not protected under the FSCS (e.g., deposits in excess of £85,000), you may only rank as a second preferential creditor in respect of any unprotected amounts should CACEIS Bank be unable to meet its financial obligations. This is a remote risk as CACEIS Bank is a well-capitalised bank with an investment grade credit rating, therefore no material adverse impact is expected for customers.

18. Will this transfer have any tax consequences for me?

Customers should note that, as a consequence of the Scheme, their product(s) will be provided by the UK branch of CACEIS Bank, rather than by the UK branch of RBC IS Trust.

In view of the number of different jurisdictions where tax laws may apply to a customer, this guide does not discuss the tax consequences for customers arising from the Scheme. Customers who are in any doubt as to their own tax position or their tax reporting requirements are urged to consult their own professional advisers regarding any possible tax consequences of the Scheme under the laws of the jurisdiction that applies to them.

Part E – Operational information

19. Do I need to update my Standard Settlement Instructions (SSIs)?

Following the transfer, customers will be required to update their SSIs to refer to the SSI details for CACEIS Bank. You will be notified of this change to your SSIs and the relevant details for CACEIS Bank.

20. Will there be any changes to my sort code and account number?

Yes. Customer sort codes, account numbers and other account identifiers (e.g. BICs, BINs, IBANs etc.) will change. You will be notified of any change to your account identifiers.

21. Will I be able to access my account history?

Yes. RBC IS Trust will continue to hold records of the customers in the normal course of business, as would be the case for clients that transfer to a new custodian. This will enable Transferring Customers to access these records and also for RBC IS Trust to comply with its FCA record keeping obligations. Your relationship Manager at the UK branch of CACEIS Bank can assist you in contacting RBC IS Trust if you wish to access any historical account records and RBC IS Trust have established a “help desk” to respond to any questions or requests from its former clients.

22. How will my personal information be protected?

As part of the Transfer, RBC IS Trust will share with CACEIS Bank your personal data that RBC IS Trust processes as part of its provision of custody and safekeeping services to you.

From the date of the Transfer, CACEIS Bank will:

- become the new controller of your personal data; and
- process your personal data for the same purposes as RBC IS Trust did before the Transfer, in accordance with CACEIS Bank’s customer privacy policy available at any time at the following link: <https://www.caceis.com/fileadmin/documents/pdf/Who-We-Are/Compliance/2021/Data-Privacy-Notice-Controller-EN-JAN-2021.pdf> (**Privacy Policy**).

CACEIS Bank will maintain appropriate technical and organisational measures to ensure the confidentiality, security, and integrity of your personal data.

Your rights under applicable data protection laws will remain the same, including rights you may have to request access to, rectification of, or deletion of your personal data, or to restrict the processing of your personal data.

Full information on your rights in relation to your personal data, and further explanation of how CACEIS Bank will process your personal data following the Transfer, are set out in the Privacy Policy.

23. I am concerned that all these changes increase the risk of fraud on my account, what is being done to protect me?

At CACEIS Bank, protecting customers from fraud is a key priority. CACEIS Bank deploy market leading fraud detection systems which routinely monitor for fraudulent activity. The CACEIS Group compliance policy prioritises combating internal and external fraud and has structured processes and controls in order to proactively prevent such malicious acts and to be able to adequately react to suspicious activities or crimes which have been discovered. The CACEIS Group has implemented procedures and best practices in order to proactively prevent malicious acts and to be able to adequately react to suspicious activities or crimes which have been discovered.

Part F – Making your views known

24. How can I make my views known?

If you still have any questions or concerns after visiting our website, please:

- email us at partvii_client_queries@rbc.com; or
- contact your Relationship Manager

The Court Hearing to approve the transfer is due to take place on 31 October at the Rolls Building (Chancery Division, Rolls Building, 7 Rolls Building, Fetter Lane, London, EC4A 1NL, United Kingdom).

If you believe that you may be adversely affected by the transfer, you have the right to object to the Scheme and attend the Court Hearing for approval of the transfer. You can write to us even if you are not going to appear at the hearing, and we will ensure that your objections are provided to the Court. When considering whether to approve the Scheme, the Court will take into account whether the Scheme adversely affects you or anyone else.

If you intend to object to the transfer, it would be helpful, but not obligatory, if you would provide us with details of your objection or details of your intention to attend or be represented at the Court Hearing. Please provide these details, preferably at least five business days before 31 October 2023, in writing to RBC IS Trust's dedicated email address at partvii_client_queries@rbc.com or by post to the following address: 100 Bishopsgate, London, EC2N 4AA.

RBC IS Trust will acknowledge and reply to all objections we receive. RBC IS Trust will also submit details of all objections received to the Court for consideration as part of their decision on the transfer, as well as to the PRA and FCA.