

# KEY FACTS

## PERSHING SECURITIES LIMITED

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### Introduction to Pershing Securities Limited

Established in 1987, Pershing Securities Limited (Pershing) is a subsidiary of The Bank of New York Mellon Corporation (BNY Mellon). BNY Mellon was formed in July 2007 by the merger of The Bank of New York Company Inc. and Mellon Corporation. Today Pershing is a specialist in the area of asset servicing and custody.

In the UK, Ireland and Channel Islands, Pershing manages over 120 client relationships for retail private client brokers (execution-only, advisory, and discretionary), online brokers, private wealth managers, private banks, investment managers, market makers, full service brokers, institutional broker dealers and investment banks. Globally, Pershing serves more than 1,500 institutional and retail financial organisations and independent registered investment advisors. Collectively, Pershing customers represent over five million investors and US \$1.05 trillion in assets held in custody.

### Your Investments

- In compliance with Financial Conduct Authority (FCA) Client Asset Rules, your investments are held on trust in accounts segregated from Pershing's own assets. Therefore, in the unlikely event of default by Pershing, investor assets would be allocated to the beneficial owner. These assets would not be considered as belonging to Pershing and therefore would not be used to repay Pershing's creditors in the event of liquidation. Although, in extremely rare circumstances, a court might permit a liquidator to meet the liquidator's costs in delivering the assets to the owner, out of the assets.
- In addition, the FCA's Client Asset Rules require Pershing to perform regular checks to verify that investor assets held in trust are accurately recorded.
- In the unlikely event that Pershing had failed to properly apply the FCA's Client Asset Rules and had also defaulted on its obligations, eligible investors would be able to make a claim to the FSCS for any assets lost by Pershing. Investments held in custody at Pershing are protected by the FSCS up to a maximum of £85,000\* per investor. Please note, investor account protection does not cover investment risk.

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### Your Cash

- Pershing will hold your cash balances as Client Money, which means that money in your Cash Account is held by Pershing acting as trustee. It is segregated from Pershing's own corporate assets and held in designated trust accounts at one or more banks.
- Pershing deposits client assets awaiting reinvestment with third party banks. In order to protect client cash Pershing have put in place a number of safeguards to mitigate risk. They use a broad range of international banks and financial institutions to ensure that deposits are well diversified from a risk perspective.
- Pershing places deposits with banks on a pooled basis in Pershing's own name, segregated as client money. Pershing has received guidance from the FSCS that, in the unlikely event of a default of one of these banks, the compensation scheme for deposits with banks would apply as if the deposits were held on a non-pooled basis in the names of the investors. It should be noted that this is guidance only and the FSCS reserves the right to determine eligibility for each case, applying eligibility criteria to any investor claims. The current limit on FSCS compensation for bank deposits is £85,000\* per investor.

### Additional Insurance

In addition to risk capital, FSCS, and the asset protection offered by compliance with the FCA Client Asset Rules, Pershing has additional insurance policies in force to protect against financial losses caused directly by events such as:

- incomplete transactions
- forgery and fraudulent alteration
- computer crime and computer viruses
- extortion
- physical loss of or damage to the property including subsidence and terrorism
- public and product liability
- employer's liability
- professional liability (errors and omissions)
- directors' and officers' liability

\* FSCS compensation limits correct as of January 2019, this may be subject to change. Further information is available from the FSCS website [www.fscs.org.uk](http://www.fscs.org.uk)

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