

Trading UK Corporate Bonds & Government Gilts online

This document provides essential information about investing in fixed interest instruments.

By placing an order, you acknowledge understanding the investment and the points below. For any clarifications, please contact us before proceeding.

1. Settlement period

- Gilts will be traded on a T+2 settlement basis, not T+1. Please note that accrued interest is calculated using the settlement date rather than the trade date.

2. Gilt Pricing per 100 units

- Gilts are priced per 100 units. A price of £100 on a gilt represents the price of 100 units, however orders do not need to be for quantities in multiples of 100. For instance, placing an order for 50, for a gilt currently priced at £100, will amount to £50 worth.

3. Accrued Interest

- This instrument has accrued interest, this is interest that has been earned but not yet paid to the holder. While we are unable to display this figure to you online before you place your order, you will find it on your official trade confirmation (contract note), which becomes available around 5 pm on the same trading day.

4. Placing an order to buy a set number of shares

- If you are placing a buy order for a specific number of shares and there is not enough cash to cover the accrued interest, your order will be cancelled. Alternatively, you can place a buy order for a monetary investment amount instead.

5. Indexation

- When trading inflation-linked gilts, in most cases the quick quote price in the yellow strip will exclude the inflation factor. The execution price will include the inflation factor and will be significantly different to the quoted figure.
- If you are placing a buy order for a specific number of shares and there is not enough cash to cover the accrued interest and the inflation factor then your trade will be cancelled. Alternatively, you can place a buy order for a monetary investment amount instead.

6. Valuations

- The valuation page for bonds or gilts does not include accrued interest. Any accrued interest owed to you will be paid at the point of sale or at the next coupon date.
- For index-linked gilts, the valuation excludes the indexation factor, as this is applied during the trade. The approximate value of your holding can be attained by multiplying the clean price on your valuation by the indexation factor published daily by the Debt Management Office at the below website page:

<https://www.dmo.gov.uk/data/ExportReport?reportCode=D10C>