

Disclosures and Risk Warnings

Important Information

All information displayed by Plum* is for informational purposes only and is not intended to be and does not constitute investment advice, trading advice or any other advice or recommendation to buy, hold or sell any particular security or financial instrument.

The value of any investment may go down as well as up, and you may not get back the full (or any) amount invested.

Past performance is not a reliable indicator of future results and your return may increase or decrease as a result of currency fluctuations. Where general performance data is provided, such data shows gross performance and excludes the effect of commissions, fees or other charges that depend on your Plum subscription level. Data displayed in price charts are indicative only. Actual execution price may vary.

You should not invest in or deal in any financial product unless you understand its nature and the extent of your exposure to risk. You should also be satisfied that it is suitable for you in the light of your circumstances and financial position. Different investment products have varied levels of exposure to risks and to different combinations of risks.

Risk Warnings

All investments involve a degree of risk of some kind. The below [Risk Warning Notice](#) describes some of the risks which could be relevant to the services Plum provides to you. Plum may provide further risk information during the course of our services to you, as appropriate.

Plum services relate to certain investments whose prices are dependent on fluctuations in the financial markets outside our control. Investments and the income from them may go down as well as up and you may get back less than the amount you invested. Information of the past performance does not constitute a safe forecast or reliable indicator of future performance.

We aim to provide investors with information to help them make their own investment decisions although this should not be construed as advice or an investment recommendation to buy, hold or sell. No view is given as to the present or future value or price of any investment, and investors should form their own view in relation to any proposed investment. If you are unsure about the suitability of an investment or if you need advice on your specific requirements, we strongly suggest that you consider professional financial advice.

In the event an opinion about whether to buy or sell a specific investment is the content is not intended to be a personal recommendation to buy or sell any financial instrument or product, or to adopt any investment strategy as it is not provided based on an assessment of your investing knowledge and experience, your financial situation or your investment objectives.

Investments denominated in a currency other than sterling or ones that undertake transactions on foreign markets may expose you to greater risks caused by fluctuations in foreign exchange rates. This can adversely affect the value of your return and the value of your investment.

Products we offer include Shares, Money Market Funds (MMFs), ISA Stocks & Shares and SIPP. ISA tax rules can change and their benefits depend on your circumstances.

SIPPs are not suitable for everyone. If you do not think you will make use of the investment choices that SIPPs give you, then a SIPP might not be right for you.

Shares

Shares carry varying risks brought about by the performance of world markets, interest rates, taxes on income and capital, foreign exchange rates, liquidity (the ease with which a security can be traded on the market) and the financial performance of the issuing companies. The value of, or income from shares can go down as well as up and you may not get back the original amount you invested.

Shares with less liquidity or in smaller companies usually have a wider spread between the buying price and the selling price and you may get back less than you paid for them due to a lack of liquidity. The price of these shares may change quickly and they may go down as well as up. It may also be difficult to obtain reliable information about their value or the extent of the risks to which they are exposed.

Funds, including MMFs

An investment in a fund is only suitable for investors who are capable of evaluating the merits and risks of such an investment and who have sufficient financial resources to be able to bear any losses which may arise from such an investment. Before investing in funds please check the specific risk factors on the Key Features Document or refer to our risk warnings including risks relating to the geographical area, industry sector and/or underlying assets in which they invest. This is not personal advice. Taxation depends on individual circumstances. ISA and tax rules may change.

You will generally not be given a choice as to the structure of a particular fund, as each fund will already have its own preferred structure. Most funds can be held in tax-efficient wrappers, such as ISAs and pensions. Funds are arrangements that enable a number of investors to 'pool' their money, in order to gain access to professional fund managers. The value of a fund, and the income derived from it, can decrease as well as increase and you may not necessarily get back the amount you originally invested. You should ensure that you understand the nature of any fund before you invest in it. You can do this by making sure you read the Key Investor Information Document (which is made available to you for each fund) for a summary of the main risks. Some of the more common risk factors are detailed below:

Different funds carry varying levels of risk depending on the geographical region and industry sector in which they invest. You should make yourself aware of these specific risks prior to investing.

Smaller companies' shares can be more volatile and less liquid than larger company shares, so smaller companies' funds can carry more risk.

Underlying investments in emerging markets are generally less well regulated than the UK. There is an increased chance of political and economic instability with less reliable custody, dealing and settlement arrangements. The market(s) can be less liquid. If a fund investing in markets is affected by currency exchange rates, the investment's value could either increase or decrease in response to changes in those exchange rates. These investments therefore carry more risk.

Funds which invest in a specific sector may carry more risk than those spread across a number of different sectors. In particular, gold, commodity, technology and other similarly-focused funds can suffer as the underlying stocks can be more volatile and less liquid.

Capital risk

The most immediate risk is a fall in the value of the underlying investment and therefore the capital that is invested. Alternatively, if the Constant Net Asset Value 'CNAV' (or total assets minus liabilities) falls below £1, the return would be considered lower than expected.

Withdrawal risk

The probability that a fund manager will need to sell securities from their long-term strategies to fund participants and/or plan redemptions.

Interest rate risk

The Bank of England may start cutting their base rate, or not raising it as quickly as recently. This could happen if inflation is under control, or if there are fears of recession in the economy. MMFs are sensitive to this, and negative interest rates could pose a particular problem.

Income risk

Income may fall, cease or not rise as expected. Although only high-quality investments are selected for inclusion in the low-risk fund, income could be jeopardised if e.g. the Government or corporation cannot pay back the debt that was initially financed with bonds.

Inflation risk

Over the longer term, the return delivered could be lower than inflation. For instance, MMFs are intended to provide a short-term investment option. In this context, anything less than around 5 years can be considered 'short-term'. For long-term options, a different investment option may be more appropriate.

Third Parties

Information provided by Plum from/by third parties and/or hypertext links to third party websites are provided for convenience only. Although Plum considers such third party information to be reliable, Plum has not verified this information and does not guarantee its accuracy, completeness, fairness or timeliness, and it should not be relied upon as such. Plum does not express any opinion on the content of any third party information and expressly disclaims any liability for all such third party information and the use of it.

All third party information displayed by Plum is provided "as is" without any express or implied warranties or representation and no liability is accepted by Plum in relation to the accuracy, completeness, fairness or timeliness of such content.

Before acting on any third party information that may be displayed by Plum from time to time, you should consider whether it is suitable for your particular circumstances and, if appropriate, seek professional advice, including tax advice. Plum does not provide such advice.

Risk Warning Notice

This Risk Warning Notice is provided by Plum* in the best interest of its clients and any prospective clients and is intended to disclose in general terms the nature of the risks associated with investment products, in which you may invest, through Plum services provided to you. It does not intend to be an exhaustive list and cannot explain all of the risks nor how such risks relate to your personal circumstances.

Prior to engaging in any investment products offered by Plum, you should consider whether you have understood the risks detailed in this Notice. If you have any questions or are in any doubt about the content of this notice, you should seek independent professional advice. Plum does not provide such advice.

It is important that you consider whether investing is suitable for you in light of your personal circumstances and financial resources and that you monitor your investment carefully. You should not invest money that you cannot afford to lose.

Investment products involve risk to your capital and investments can go down as well as up. Regardless of any information which may be offered by Plum, the value of any investment may fluctuate downwards or upwards and it is probable that the investment may become of no value. However, you cannot lose more than the equity in your account. Information of the past performance does not constitute a safe forecast or indicator of future performance.

Below are some specific risks and considerations for investors in relation to investment products.

This list is not intended to be fully inclusive of all relevant risks; we would strongly encourage you to ensure that you have read all relevant literature, and that you are comfortable that you understand all of the associated risks relating to an investment, before you decide whether or not to purchase it. Should you be in any doubt as to the risks involved, or to the suitability of a particular investment, you should seek professional financial advice. Plum does not provide such advice.

Shares and other types of equity instruments.

Self-directed investment (execution-only services)

Self-directed investment, where investors make their own investment decisions and transactions are made on an execution-only basis, is not for everybody. Investors who choose to invest in this manner should regularly review their portfolio, or seek professional advice, to ensure that the underlying assets remain in line with their investment objectives.

This can be particularly important for those investing towards a defined time horizon – for example, those investing for retirement via a pension.

Market Risk, Share Price Risk and Volatility (Whole Shares and Fractional Shares)

The price or value of shares or other types of equity instruments are influenced by a broad array of factors and can change rapidly and unexpectedly. The price of shares goes up and down depending on market supply and demand, investor perception and the prices of any underlying or allied investments or, indeed, political and economic factors. These can be totally unpredictable.

Plum aims to provide you the best execution available but it is possible that the market price could have changed between order placement and execution time, and, therefore, Plum cannot guarantee that the price requested will be the same as the price at which the order is executed, therefore, the price you receive can be in your favour or against you.

Trading in fractional shares carries additional risks as fractional shares cannot be traded on regulated markets (such as public exchanges) and as such may be subject to greater liquidity risk than full shares. In addition, fractional shares cannot be transferred to another broker (save in the event of the Third Party Broker's insolvency) and must be sold via the Third Party Broker.

There is a risk that there could be volatility or problems in the sector that the company is in. If the company only traded infrequently, there may also be liquidity risk, whereby shares could become difficult to acquire or dispose of.

If the share price falls in a particular company the company may find it difficult to raise further capital to finance its business, and the company's performance may deteriorate vis à vis its competitors, leading to further reductions in the share price. Ultimately the company may become vulnerable to a takeover or may fail.

There is no guaranteed return on an investment in shares, and in a liquidation of the company, ordinary shareholders are amongst the last with a right to repayment of capital and any surplus funds of the company, which could lead to a loss of a substantial proportion, or all of the original investment.

The fluctuations in the financial markets and individual stocks are outside of Plum's, or its third party broker's control. Any such changes will affect the value of shares and other types of equity instruments and your related profits and losses of your holdings may change rapidly and unexpectedly.

Currency risk

When a stock is traded on foreign markets in a currency other than the currency of your account, the fluctuations in the exchange rates may have a negative effect on its value and price. In respect of transactions in stocks that are denominated in a currency other than that in which your account is denominated, the fluctuations in foreign exchange rates may impact your profits and losses connected to your trading in such stocks.

Operational and Technology risk

Breakdowns or malfunctioning of essential systems and controls, including IT systems, can impact on all financial products. The result of any technical or system failure may be that an order is not executed in accordance with the instructions provided or is not executed at all. Technical interruptions in using the Plum App may impact your orders and you may not be able to be submitted and you may not be able to monitor your holdings via the Plum App. Whilst we try to make the Plum App be available to you at any time we cannot guarantee that the Plum App will always be available to you.

Tax

Depending on your personal tax status and the rules and regulations in force from time to time may impact your holdings and your trading. You have the sole responsibility of determining the relevant tax impact to your trading and you should consult an appropriate professional advisor if you have any questions or doubts in this regard. Plum does not provide tax advice and does not warrant that no tax and/or any other duties will be payable.

Insolvency

The insolvency or default of Plum or of any third party brokers involved with your transaction, may lead to your holdings being liquidated or closed out without your consent or, indeed, investments not being returned to you. In such circumstances, we will seek to provide you with as much additional information as we can relating to the treatment of your existing holdings as and when we obtain it. In the event of any insolvency or default by Plum, eligible customers are covered by the Financial Services Compensation Scheme (FSCS) typically up to a maximum of £120,000.

News / Top Stories

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No Guarantee of Rights

Whilst shares can often have rights to dividends and, in certain instances, the right to vote on certain matters at general meetings of the issuing company, you should not assume that you will be able to exercise these rights. The payment of dividends by a company is not guaranteed and you may not have the opportunity to exercise any voting rights attached to those shares.

Regulatory and Legal Risk

All investments could be exposed to regulatory or legal risk. Returns on all investment, are at risk from regulatory or legal actions and changes which can, amongst other issues, alter the profit or losses potential of an investment. Legal changes could even have the effect that a previously acceptable investment becomes illegal. The impact of such regulatory and legal changes can be material and unexpected, and may impact certain companies, markets and jurisdictions more than others.

Under no circumstances should the information included in this Notice be construed as an advice or offer to invest. This Notice is designed to explain in general terms the nature of the risks involved when dealing in investment on a fair and non-misleading basis and does not disclose or explain all of the risks and other aspects involved in investment services.

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