

Monzo Investments terms and conditions

Introduction

These terms and conditions are between you and Monzo Bank Limited (Monzo/us/we) for Monzo's investment services. You agree to them by asking us to open an investment account and using our investment services. A copy of this agreement will always be available in the Monzo app.

You should read this along with our Data Privacy Notice, which explains how we use your data.

How we provide investment services

When you start investing with Monzo you'll open an investment account (either a Stocks and Shares ISA or a General Investment Account). You can open more than one investment account: for example you can have both a Stocks and Shares ISA and a General Investment Account.

We limit the number of investment accounts you can create at one time, and the number you can create over the lifetime of your Monzo account, to make sure the Monzo app still functions as it should.

We provide some investment services to you directly (the "Investment Services"). Those Investment Services are covered by the legal agreement between you and Monzo which is made up of these terms and conditions and:

- the personal details which you give us when opening an investment account on the Monzo app (including details for ISA declarations if you're opening or transferring a Stocks and Shares ISA)
- the [fee information](#) document which explains fees and charges for our Investment Services, and the investment products we offer

- the [Key Features Document](#) for your investment account
- the [Data Privacy Notice](#)

Investment Dealing, Custody and Stocks and Shares ISA services

Some investment services accessed through the Monzo app are provided by a third party we've chosen ("Investment Services Partner"). Our Investment Services Partner is Seccl Custody Limited ("Seccl"), a company authorised and regulated by the Financial Conduct Authority ("FCA"). They'll:

- buy and sell certain investments on your behalf (and following your instructions)
- provide custody of your investments
- act as your ISA Manager, if you take out a Stocks and Shares ISA.

Separate legal agreements between you and the Investment Services Partner are needed for investment dealing, custody services and ISA management. We refer to the agreement with the Investment Services Partner as the "Seccl Terms" throughout this document. **The Investment Services Partner provides important services, and you should read the Seccl Terms which sets out the terms which apply to those services.**

Details of how our Investment Services Partner buys and sells investments are in Part 1 of the Seccl Terms and in their Order Execution Policy at Schedule 2 of the Seccl Terms.

We may change the identity of the Investment Services Partner, and/or appoint additional investment services partners. If we do, we'll always try to give you enough notice of the change for you to consider it properly, and take any actions you might need or want to take (like moving your investment account to another provider).

We'll act on your behalf

You give us authority to act on your behalf as your agent in dealing with the Investment Services Partner.

You should consider the following carefully. In particular, as your agent we'll have your authority to:

- sign the Seccl Terms with the Investment Services Partner on your behalf
- accept any changes to the Seccl Terms which the Investment Services Partner makes - if that happens, we'll tell you what those changes are
- send and receive information and instructions to and from the Investment Services Partner on your behalf
- instruct the Investment Services Partner to deduct sums from your investment account to pay fees or charges due to us, the Investment Services Partner or any third parties

The Investment Services Partner will accept instructions and information from us as if made or given by you directly. When the Investment Services Partner sends us information, we are responsible for providing that information to you.

The Seccl Terms will apply as well as these terms, unless they contradict one another. If that happens, then for the parts where there's a conflict, only the Seccl Terms will apply.

Eligibility and conditions

To open and maintain an investment account you must:

- be 18 or older
- be resident in the UK
- not be subject to taxes in a jurisdiction which creates tax reporting obligations for Monzo, other than the UK (like the United States of America)
- have a Monzo current account

Our Investment Services aren't right for customers who are in financial difficulties - you should consider whether investing is right for you before you sign up.

You must complete any application form or transfer form, and give us any information we reasonably ask for. You can only use Monzo's Investment Services for personal use.

Monzo's services

Services covered by this agreement

Monzo will provide you with a service that lets you buy and sell certain investments. We do this by arranging for them to be bought and sold on your behalf by the Investment Services Provider or with third party providers. In both cases, we'll only do this in accordance with your instructions and these terms and conditions.

We'll arrange for the Investment Services Partner to look after your investments and keep them safe (sometimes called custody services). The Investment Services Partner needs to comply with the FCA rules for firms which hold customers' assets and money. You may hold your investments in:

- a General Investment Account; or
- a Stocks and Shares ISA provided by the Investment Services Partner

(each an "investment account")

We won't give you any legal or tax advice to do with investments.

Investments available within investment accounts

At the moment, the only type of investment we offer is shares, units, or equivalent interests in funds which the FCA has either authorised or recognised (which means the FCA is satisfied that they meet certain standards), and Exchange Traded Funds (known as ETFs), which are admitted to trading on a regulated market. We might expand our offering to include other investments in future, and you'll see them in the app if we do so.

We can also stop offering a given investment either temporarily or permanently and, wherever possible, we'll tell you before that happens.

Fees, charges, and interest

Details of our fees and charges are set out in the fee information document.

Throughout each month, we calculate the fees due for each day. Once a month, we then add together the fees for each day to work out how much you owe for that month, and you'll pay fees once monthly. Our fees will be collected on our behalf by the Investment Services Partner from your investment account. We'll round the fees due down to the nearest £0.01. We'll be responsible for informing the Investment Services Partner of the deductions that need to be made to your investment account to pay fees. You authorise us as your agent to instruct the Investment Services Partner to deduct the amounts due from your investment account and pay them to us or any relevant third party. See the Seccl Terms for more details on how the Investment Services Partner collects fees.

As well as Monzo's fees, the providers of the investments in your investment account may also charge fees. For example, fund managers charge a fee for managing the funds you invest in. You'll see the fees for funds in the app, and we'll also give you a document which illustrates the fees you'll pay for funds you choose before you invest in them.

We'll give you as much advance notice as we can of any change to the fees you need to pay in relation to investments in your investment account.

If you owe us amounts under this or any other agreement we have with you, we have the right to reduce or pay off debt you owe us using any available funds in your investment account, including by selling down investments to generate cash to reduce or pay off that debt. There may be a delay in completing orders you submit if you owe us amounts under this or any other agreement, and we're in the process of selling investments in order to collect fees you owe us.

Generally speaking, it's not intended that you'll hold cash for any length of time in your investment account. However there may be circumstances where you do (for example it takes a little time for your investment instructions to complete). The Investment Services Partner may earn interest on cash balances held in your investment account(s) and if it does, it will pay it to charity. If in the future, the Investment Services Partner decides to pay interest to you, we'll let you know (along with details of the interest rate).

Where you hold cash in your investment account which is not earmarked for a particular purpose (for example a withdrawal or an investment) we will ask you what you would like to do with it. For amounts over £1 you can instruct us how you want to invest it - and we'll follow that instruction for any cash amounts over £1 which aren't

earmarked for a particular purpose in future too. Alternatively, you can choose to withdraw it. If you choose to withdraw it, the next time you have cash which is not earmarked for a particular purpose, we will ask for your instructions again.

Third party benefits

We may accept fees, commissions and minor non-monetary benefits from third parties ("Benefits") related to Investment Services.

We won't accept any Benefits which benefit us, our shareholders, or our employees unless there's also a tangible benefit to our customers. We'll only accept Benefits if we consider that:

- accepting them can help us give a better service to our customers
- accepting them is consistent with us acting fairly, honestly, professionally and in our customers' best interests
- the additional benefits and/or improved service that our customers get is in proportion to the Benefits we receive
- in relation to any ongoing Benefits, our customers also receive ongoing benefits in connection with them
- the Investment Services we provide you are not biased or distorted as a result of us receiving the Benefits
- it's otherwise consistent with the FCA Rules for us to do so.

Your client classification

We'll treat you as a retail client. This means you'll get the highest level of protection available under FCA Rules.

How to contact us

You can contact us through the Monzo app.

Email us at: help@monzo.com

Phone us on: 08008021281

Or send a letter to: Monzo, Broadwalk House, 5 Appold St, London, EC2A 2AG

How we'll contact you and send documents

Using the Monzo app, email, phone or mail to your home address, we'll:

- contact you in English  and Emoji 
- send you any agreements, statements and other notices.

We may also send you notifications about your investment account through the Monzo app.

If any of your contact details change, including moving abroad, let us know as soon as possible.

Under FCA rules, we need to record communications between you and Monzo which lead to a transaction in an investment, for five years. This includes where you contact us over the phone. You have the right to ask for a copy of the records of those communications, including recordings of phone calls, at any time in the five year period starting on the date of the relevant communication was recorded.

Giving us instructions

You can give us instructions in relation to your investment account(s) using the Monzo app. We can (but don't have to) agree to take your instructions in another way as well.

You're responsible for making sure that your device can run the Monzo app (which we'll update from time to time). Sometimes important information won't show correctly on older operating systems. We also can't guarantee that all features in your Monzo app will work as expected on older operating systems.

Keep your phone, PIN and security details safe at all times. If we find any security issues affecting your investment account, we'll contact you as soon as possible in the most secure way, using one of our usual channels.

We may act on any instruction that we reasonably believe is from you and is correct, without doing any more checks or investigations. We won't be liable for not following an instruction we don't believe is genuine, a delay in carrying out such an instruction,

or for following an instruction which isn't genuine, if we've acted reasonably and in good faith.

We may delay or not carry out an instruction:

- until we can contact you to check and confirm your instruction, if we reasonably believe it's in your interests to do so
- if you don't have enough investments or cash in your investment account for us to follow your instruction.

We may refuse to follow an instruction if:

- your instructions are unclear, or we reasonably believe they're not practicable
- we suspect criminal activity on your investment account
- we suspect that the instruction was fraudulent or you didn't authorise it
- we suspect unauthorised or fraudulent use of your Monzo current account more generally
- you've missed a payment under any other agreement you have with us (like a loan or overdraft agreement)
- there's a legal or regulatory reason which means we can't lawfully let you use our Investment Services
- you've closed your Monzo current account or switched to a different current account provider.

If we refuse to follow an instruction, we'll let you know as soon as possible unless there's a legal or regulatory reason not to, using one of our usual channels.

Dealing services

In entering this agreement, you appoint us as your agent to pass your instructions to the Investment Services Partner on your behalf to enable them to place your orders to deal in investments. This means we take your instructions and then pass them to the Investment Services Partner who will give effect to your orders.

You confirm that you understand and agree that:

- you're responsible for the accuracy of your orders, and you may not be able to cancel or change an order after you've submitted it
- unless we decide otherwise, you'll give us your instructions only through the order screens in the Monzo app. This means we don't have to accept orders that you try to submit in a different way (such as through the chat function in the app, or over the phone)

Round-ups and orders

We may give you the option to 'round-up' spare change from transactions in your current account, and use that spare change to place orders to buy investments within your investment account. You can tell us to do that for you in the app. When you turn on the round-ups feature for investment accounts, you're authorising us to automatically use that money to create a recurring request for the Investment Services Partner to buy investments on your behalf. We'll try to pass the Investment Services Partner orders once each week, but there may be times where we can't do so, for example if the value of the round-ups for that week is not large enough to allow the Investment Services Partner to execute orders efficiently. If that happens, we'll use the spare change rounded up to request a recurring buy order at the next available opportunity.

Appropriateness and suitability

We won't assess the appropriateness or suitability of any particular investments for you. This is because of the type of investments we offer and how FCA rules on appropriateness apply to them, and because we offer them without giving personalised advice. This means we won't collect details about things like your risk profile, or knowledge and experience of investing, or make any personal recommendation of particular investments to you.

That means you won't get the benefit of the protection of the FCA rules and associated legislation on appropriateness. If you're in any doubt about whether a given investment is suitable or appropriate, you should speak to an authorised financial adviser.

Custody and client money

How your investments are held

The Seccl Terms referred to earlier in these terms and conditions set out how the Investment Services Partner will hold your investments, and any cash in your investment account. See Part 2 of the Seccl Terms, referred to as the “Custody Terms”, for more detail. The Custody Terms don’t form part of your agreement with Monzo.

If we decide to change our Investment Services Partner, you agree that we may terminate your agreement with them, including the Custody Terms.

Monzo’s control of your investments

Neither we nor our Investment Services Partner will lend your investments to anyone else or use them to raise finance.

You agree that our Investment Services Partner can use any cash you have in your investment account, or sell any investments in your investment account and transfer the proceeds to us, to meet liabilities you have to Monzo. If you have more than one investment in your investment account, then holdings will be sold in order of your largest holding to smallest holding in order to generate cash.

Client money

Where we hold money for you in connection with the Investment Services, we hold it in your Monzo current account only. This means we hold that money as banker and not as a trustee under the FCA Rules dealing with client money. As a result, in the unlikely event that Monzo becomes insolvent, the FCA’s client money distribution and transfer rules won’t apply to these sums. We’ll treat money we hold for you in this scenario in line with the terms and conditions for your Monzo current account, and the relevant regulatory requirements.

When you tell us you’d like to buy investments, we’ll transfer the money needed from your Monzo current account to the Investment Services Partner. Once money reaches your investment account, the Investment Services Partner holds it as client money and the FCA rules on client money distribution and transfer rules will apply. See the Seccl Terms for more information.

Paying into your investment account

You must make payments into your investment account from your Monzo current account, and in pounds sterling. Payments must be at least £1 in value.

Payments you make into your investment account will be in line with the terms of your current account. You can set up regular payments into your investment account, and you can change the amount and date of those payments, or cancel them altogether, at any time. See the time limits for changes to regular payments in the [Terms and Conditions](#) for your current account under the 'Standing Orders' section.

We may reject any payments into your investment account where we suspect that you're not the beneficial owner of the amount paid, in accordance with financial crime laws and regulations.

Transferring investments into your investment account

If you ask us to, we may agree to accept transfers of investments into your investment account (sometimes referred to as 'in specie' transfers). We may reject a transfer of investments that we haven't agreed to in advance. You may not transfer investments in specie into your ISA account unless these come from another ISA.

If an investment isn't available through us, then we won't be able to accept transfers of that investment into your investment account. Where that happens, your previous provider will need to sell your investments before making the transfer, so that they can transfer the sale proceeds to us as cash.

Withdrawals from your investment account

You can request a withdrawal in cash from an investment account (whether it's in a General Investment Account or a Stocks and Shares ISA) at any time. Any money you withdraw will go into your Monzo current account.

As long as there's enough in the relevant investment account, we'll process your withdrawal request as soon as we can. We'll do this by transferring any cash held in your account first and then, if there's not enough cash available, by asking the Investment Services Partner to sell your investments to generate cash to meet your

withdrawal request. This process usually takes four to five business days, but can sometimes take longer. If you have more than one investment in your investment account, then holdings will be sold in order of your largest holding to smallest holding in order to generate cash. If investments need to be sold to generate cash to pay fees, then you may not get the full amount you asked to withdraw - the withdrawal amount may be reduced by the fees we collect.

If you want to withdraw an amount which is close to the full value of the cash and investments held in your investment account, we can require you to withdraw the full value held in your account. We do this so it's always possible for you to pay fees which have been accrued, but not yet paid.

Conflicts of interest

We'll always try to act in your best interests. In some situations, there's a chance that our interests and your interests, or your interests and those of another customer, will conflict with one another. We have a conflicts of interest policy to deal with these scenarios, in accordance with FCA rules, which is overseen by our Compliance department. A summary of this policy is available [on our website](#).

Product information and rights in relation to your investments

We'll give you information and documents required under FCA rules before you invest, including documents issued by the manufacturers of any fund you invest in through the Monzo app. We'll also give you a Key Features Document for your investment account, which contains important information about our services.

Statements and reports

We'll give you reports and statements for your investment account in line with FCA rules. You can find those statements and reports in the Monzo app.

Stocks and Shares ISA

You need to enter into an agreement with the Investment Services Partner for them to serve as the ISA Manager for a Stocks and Shares ISA. Part 3 of the Seccl Terms sets

out the terms applicable to ISAs, and is referred to as the "ISA Terms". There's a limit on the amount you can pay into all of your ISAs (including a Stocks and Shares ISA) in a single tax year. This is set in legislation, and may change from time to time. The Stocks and Shares ISA will be a 'flexible' ISA under HMRC rules. This means that, if you make a withdrawal from your Stocks and Shares ISA, you can pay that same amount back in during the same tax year without counting towards the limit on contributions into your ISA for that tax year.

If you've got a Stocks and Shares ISA elsewhere, you can transfer it to us and our Investment Services Partner by asking us to do so in the app. The ISA Terms tell you when you can make transfers into your Stocks and Share ISA too. Once we've collected all of the necessary information, we'll then arrange for that ISA to be transferred to the Investment Services Partner, acting as your agent. They will need to contact your current ISA manager to arrange the transfer, and in entering these terms you're agreeing to them doing that.

A copy of the agreement with the Investment Services Partner, including the ISA Terms, is attached to these terms. The ISA Terms don't form part of these terms, or your agreement with Monzo.

General relationship terms

Our liability to you

Since you're only allowed to use your investment account for personal use, we're not responsible to you for any loss of profit, loss of business, business interruption, or loss of business opportunity. This applies to you using your investment account for personal use, as well as if you wrongly use it for commercial or business purposes.

None of these terms affect your legal rights as a consumer. You can find more information on the [Competition and Markets Authority website](#) or the [Financial Ombudsman Service website](#). These terms don't exclude or limit our liability to you where it's against the law for us to do so.

We're responsible to you for any foreseeable loss and damage which we cause to you by breaching the terms of this contract or failing to use reasonable care or skill providing services to you. When we say 'foreseeable', this means we could or should have expected those losses or that damage.

We're not responsible for any loss or damage (direct or indirect) caused by something beyond our reasonable control. We're also not responsible for any loss or damage (direct and indirect) if something was unavoidable despite us using reasonable care and skill to avoid it. This may include:

- hardware breakdowns
- actions or decisions taken to comply with legal or regulatory requirements, or requirements under industry codes or Financial Ombudsman, court or regulator decisions
- delays or failures caused by third party industrial action
- problems with a third party system or network (including power outages)
- data-processing failures.

Making changes

We can make changes to our fees and charges, the terms of this agreement or the terms of any other agreement which these terms apply to. This includes introducing new charges, changing the level of fees and charges, and charging in a different way.

We may make these changes because of changes to:

- law, regulation, industry codes or Financial Ombudsman, court or regulator decisions
- the cost of providing your account and running our business, for example a change in our cost of funding, technology (including our systems) and service costs
- the way we need to charge for our products or services, for example if we change our prices to make our business more sustainable or profitable
- the banking or financial services system
- to our business, so we can offer products and services in a different way – for example so they're easier to understand, or so they better reflect how our customers want to use Monzo
- our partners or the way they provide their services to us.

We can make changes to these terms and charges that work in your favour for any reason. We can also make proportionate changes for any other balanced and valid reason that impacts us or your investment account.

When we tell you about the change will depend on the situation. If we make changes that are favourable to you or required by law or regulation, we'll tell you once we've made them.

Otherwise we'll give you at least 30 days' notice and tell you our reasons in the most secure way, using one of our usual channels. If you don't agree to these changes, you can let us know and we'll close your account fee-free in accordance with the Closing your account section before the changes take effect. If we don't hear from you before the changes come into effect, we'll assume that you're happy and accept the changes we've made.

We also have the right to transfer any of our rights or obligations under these terms and conditions to another company in our group. This means any parent, subsidiary or associated company of Monzo Bank Limited.

Cancelling your investment account

You can let us know that you'd like to cancel this agreement within the timelines below. Cancelling is different from closing your account, and it has different consequences. See more details below on closing your account. You can cancel:

- this agreement within 14 days of it coming into effect
- a General Investment Account within 14 days of us confirming to you that the account is open. If you do, we'll also cancel your agreement for that account
- a Stocks and Shares ISA provided by the Investment Services Partner within 14 days of us confirming to you that the ISA is open. If you do, your ISA Terms will also be cancelled.

You can give notice to cancel using the Monzo app. If you give us notice to cancel a Stocks and Shares ISA, we'll pass it on to the Investment Services Partner.

You agree that we may start providing Investment Services to you before the end of the relevant cancellation period.

If you cancel:

- you'll have no more obligations related to the agreement or account you've cancelled
- we'll arrange for any investments in the relevant investment account to be sold
- we'll return the money from that sale to you, minus any fees due up to the point you cancelled (including any costs we have incurred on your behalf)
- we won't charge you a fee for cancelling.

If the value of your investments has fallen between opening the investment account and cancelling it, you'll get back less than you invested.

If you cancel all of your investment accounts this will also cancel your agreement with the Investment Services Partner.

If you want to cancel a transfer from another ISA manager, see your ISA Terms for more information on how to do so.

If you want to cancel this agreement or an investment account after the timeframes set out above have passed, you can end this agreement at any time.

Closing your investment account

Once this agreement has started it won't end until you or we end it. You can cancel this agreement and close your investment account as set out in the section titled 'Cancelling' above.

You can also end this agreement or close your investment account at any other time by giving us notice through the app. We'll close your account as soon as we reasonably can, but it may take us several business days to finish this process.

When we close your investment account, we'll also end your agreement with the Investment Services Partner. This means that when you close your investment account, you'll need to give us instructions on how to deal with investments and any cash in that account. You can instruct us to transfer your assets to another provider, or to sell your investments and transfer the cash (less any fees and charges due on the investment account) to your Monzo current account. Your agreements with us and the Investment Services Partner won't end until we've completed your instructions, and there are no investments or cash left in your account.

When we can close your investment account

We can close your investment account and stop providing Investment Services to you by giving you at least two months' notice.

We may also close your investment account or stop you using the Monzo app immediately if you no longer have a Monzo current account or we believe you've done any of the things which mean we can close your current account (which you'll find listed in your Current Account Terms and Conditions), but in relation to your investment account.

Unless we tell you otherwise, if we close your investment account we'll ask the Investment Services Partner to sell your investments and return the sale proceeds to your Monzo current account. You can ask for the money to go to another bank account in your name, if your Monzo current account isn't available.

If we stop you using the app, or close your investment account, this agreement will remain in place until all cash and investments due to you are transferred to you, or to a third party.

What happens if you die

If we receive notice of your death, we'll stop processing payments into your investment account. The investments will stay in your investment account until we've received relevant documents and evidence from your representatives, and their instructions on your investment account and the investments in them.

Complaints

If you have a complaint, contact us and we'll do our best to fix the problem. If you're still not happy, you may be able to refer your complaint to the Financial Ombudsman Service and/or the Financial Conduct Authority.

Information about compensation arrangements

We're covered by the Financial Services Compensation Scheme ("FSCS"). This means you may be entitled to compensation from the scheme if we can't meet our obligations. The level of compensation depends on the type of business and the circumstances of your claim, and you're covered up to a maximum of £85,000 per person.

See the Seccl Terms for details of how FSCS works for services provided to you by the Investment Services Partner.

Governing law and jurisdiction

English law applies to this agreement and disputes will be settled by the courts in the place where you live.

Authorisation details

Monzo Bank Limited, authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Financial Services Register No. 730427). Registered in England. Registered No. 9446231.
Registered Office: Broadwalk House, 5 Appold St, London, EC2A 2AG.