

# IMPORTANT INFORMATION ABOUT HOLDING OVERSEAS SHARES

All overseas shares available through Hargreaves Lansdown are held as CREST Depository Interests ("CDI") to enable them to be settled through the UK & Ireland settlement system CREST.

This allows us to offer electronic trading in the same way as UK shares. However, for each CDI issued, CREST holds the same number of shares in its name direct with the Central Securities Depository of the home country of the underlying stock. This process does have an impact on certain elements of holding investments, which you should be aware of before purchasing securities.

## CURRENCY CONVERSION

Amounts received in a foreign currency relating to investments in your Account (e.g. dividends or from corporate actions) will be converted into sterling. The conversion rate used will be based on the prevailing interbank exchange rate, to which we add an additional spread of 1% as our charge.

## MEETINGS AND VOTING

- You will not receive Voting rights or be able to attend a company meeting unless the underlying company contact CREST directly to arrange a facility.

## CORPORATE ACTIONS

- There may be a delay in issuing securities to your account in respect of a Corporate Action.
- There may be delays in getting information to you concerning an on-going Corporate Action.
- There may be limitations to your participation in a Corporate Action as this is dependent upon the timeframe in which information and subsequent

securities are provided by CREST.

- There may be limitations to your participation in a Corporate Action where the resulting securities cannot be held in CREST as a CDI.
- There may be limitations to your participation in a Corporate Action where restrictions are placed by the issuer on the type of investor, or country of residence, of shareholders.
- There may be delays or restrictions on trading securities resulting from a Corporate Action, most notably entitlements or rights.
- You will not receive cash payments relating to fractional entitlements resulting from a Reorganisation of securities as they are not paid by CREST.

## DIVIDENDS

- There could be delays receiving your dividends as we are unable to credit client accounts with dividends until we have physically received them from CREST.
- We are unable to offer participation in Scrip dividend schemes.
- Dividends paid from certain jurisdictions will be subject to Withholding Tax at the prevailing rate applicable for that country. Hargreaves Lansdown is unable to reclaim such amounts for individual clients, but we are able to provide a statement confirming amounts paid on an ad hoc basis to enable claims to be made individually. This is not available for securities held within a SIPP and may not be possible on securities held within an ISA as most Double Taxation agreements stipulate that the payment is subject to tax in the UK.

## STAMP DUTY

- Most overseas securities are exempt from Stamp Duty Reserve Tax ("SDRT"). However, where certain criteria are deemed to have been met, the security may be marked, by CREST, as being subject to SDRT. In the very rare situations where CREST's marker is identified to be incorrect, Hargreaves Lansdown must continue to apply SDRT to trades in line with the CREST status, until this status is formally updated at the request of the issuer or underlying company.