RISK WARNING

Understanding the risks of using Count and investing through our service

CAPITAL AT RISK

The value of investments can go down as well as up, and you may get back less than you invest. This includes money held for your emergency fund in money market fund ETFs. Returns, yields and tax benefits are not guaranteed.

Understanding risk

Investing involves risk. Familiar warnings such as “the value of investments can fall as well as rise” and “past performance is not a reliable indicator of future results” are important because they describe real outcomes that can affect your money.

This document explains the main risks of using Count’s automated advice service and investing through Count. It cannot describe every possible risk or predict how any investment will perform. Please read it alongside your personalised recommendation, suitability report, Costs and Charges Disclosure, Terms and Conditions and the information provided for each investment.

What Count provides

Count provides automated financial advice within the scope of its service. Our technology uses information you provide, including information available through connected open banking accounts, to assess your financial position, attitude to risk, capacity for loss, goals and investment time horizons. It then applies predefined advice rules to produce a personalised financial plan and, where suitable, arrange investments.

Count’s recommendations are limited to the products, portfolios and services available through Count. They do not cover every financial product or every aspect of your financial circumstances. The service is provided through an automated process rather than a personal consultation with a human financial adviser.

How the automated service works

The service may:

- analyse income, expenditure, savings and other financial information made available to Count;
- assess risk separately for relevant financial goals;
- recommend a financial strategy and available tax-efficient wrappers where appropriate;

- arrange investments in line with an accepted recommendation; and
- review the plan at defined points using updated information and the rules built into the service.

The service does not continuously monitor every event in your life or react immediately to market movements. Investment instructions are generally processed through Count's scheduled monthly execution cycle and remain subject to payment, dealing and settlement times. Changes to your circumstances or information do not guarantee that an immediate change will be made to your portfolio.

Is Count right for you?

Count is intended for UK retail customers whose needs and circumstances fall within the scope of the automated service. Count will use its eligibility and suitability rules to decide whether it can provide a recommendation. It may decline to recommend an investment or restrict access where the available information indicates that investing would not be suitable.

Count may not be suitable if you:

- cannot afford to lose any of the money you are considering investing;
- need guaranteed returns or guaranteed access to all of your money at all times;
- need advice on products or circumstances outside Count's service scope;
- have complex tax, legal, trust, estate-planning or overseas arrangements that require specialist advice; or
- need a personal discussion with a human adviser before making financial decisions.

The value of investments can fall

Investments in shares, bonds, exchange-traded funds and money market funds can fall as well as rise. Companies can underperform, borrowers can fail to repay their debts, interest rates and inflation can change, currencies can move and financial markets can experience significant or prolonged falls. You may receive back less than you invested.

Diversification is intended to spread risk across different investments, but it cannot prevent losses. Several asset classes or markets can fall at the same time. A lower-risk portfolio may fluctuate less than a higher-risk portfolio, but lower risk does not mean no risk and capital is not guaranteed.

Your emergency fund is invested, not held as cash

Where Count recommends its emergency-fund solution, the money is invested in exchange-traded money market funds (money market fund ETFs). These are cash-equivalent investments that generally hold short-term money market instruments. They are not the same as cash held in a bank savings account or deposit account.

The value of a money market fund ETF can fluctuate and, in stressed market conditions or if an underlying issuer fails, you could receive back less than you invested. Any yield shown is variable, can change at any time and is not guaranteed. Charges will also affect the return you receive.

To withdraw money, units in the fund must first be sold and the sale must settle. Settlement will normally take around two business days (T+2), after which further payment-processing time may apply. Market closure, reduced liquidity, exceptional market conditions, provider failure or an operational issue could delay access. You should consider keeping separately any money you may need immediately.

Investing is generally for the longer term

Financial markets can move sharply over short periods. A longer investment horizon gives more time for investments to recover from short-term falls, but recovery is not guaranteed and a loss can still arise over any time period. Count will consider the time available for each goal, but the passage of time does not remove investment risk.

If you withdraw earlier than planned, markets may be lower at the time of sale and dealing or other charges may apply. The amount available could therefore be less than you invested or less than the amount shown in an earlier projection.

Specific investment risks

- **Market risk.** The value of investments may change because of economic, political, regulatory or market events.
- **Equity risk.** Shares can experience significant falls and individual companies can fail.
- **Bond and interest-rate risk.** Bond values may fall when interest rates rise. An issuer may also fail to pay interest or repay capital.
- **Currency risk.** Overseas investments may rise or fall in value because exchange rates move, even where the underlying investment price is unchanged.
- **ETF and tracking risk.** An ETF may not exactly match the performance of the index or market it is intended to track. Its market price may also differ from the value of its underlying assets.
- **Liquidity risk.** Some investments may be difficult or more expensive to sell during stressed markets, which may delay a withdrawal or reduce the price received.

Past performance and projections

Past performance is not a reliable indicator of future performance. Historical returns, comparisons, charts and market data do not promise that an investment or portfolio will perform in the same way in future.

Any forecast, target, scenario or projected value is an illustration based on assumptions. Actual returns, inflation, contributions, withdrawals, fees and tax treatment will differ. You should not treat a projection as a guarantee or as the amount you will receive.

Cash and inflation risk

Holding money in cash avoids normal investment-market movements, but cash is exposed to inflation risk. If interest earned is lower than inflation, the spending power of the money falls in real terms. Investing may offer greater growth potential over time, but it also introduces the risk of capital loss.

Fees and charges reduce returns

Count's fees and third-party charges reduce the value and growth of your investments. Fixed monthly fees can represent a higher percentage of smaller contributions or balances. Third-party charges may vary depending on the account, portfolio and underlying ETFs. Please read the Costs and Charges Disclosure and your personalised illustration before investing.

Automated advice and data risks

Automated advice depends on the information and data available to Count and on the rules built into the service. Incomplete, inaccurate, duplicated, delayed or out-of-date information could lead to an inappropriate recommendation or prevent Count from giving advice.

You should:

- answer all questions fully and accurately;
- check that connected-account and other financial information is complete;
- tell us promptly when your income, spending, savings, debts, dependants, tax position, goals or other relevant circumstances change; and
- review your recommendation and suitability report and contact Count if anything appears incorrect or incomplete.

The automated process follows predefined parameters and cannot identify information that has not been provided or falls outside its design. Updates to the advice engine are implemented through controlled changes, but no model or system can account for every possible circumstance.

Technology, cyber and third-party risks

Count relies on technology, open banking connections and third-party service providers. Outages, connectivity failures, delayed data, cyber incidents or other operational problems could temporarily prevent access to the service, delay an update, payment, investment or withdrawal, or affect the accuracy of information displayed.

Count uses technical and organisational controls designed to protect personal information and accounts, but no system can eliminate all technology or cyber risk. You are responsible for protecting your login details, using available account-security features and telling us promptly if you suspect unauthorised access.

Count does not hold client money or investment assets itself. They are held through regulated third-party custody and banking providers selected and monitored by Count. Their regulated status and reputation do not remove investment, operational, fraud or provider-failure risk, and an issue affecting a provider could delay access to money or investments.

You may disconnect an open banking connection or withdraw relevant data permissions, but doing so may limit Count's ability to provide, review or update the service. Please see our Privacy Notice for information about how personal data is used and your data-protection rights.

Tax treatment can change

Tax rules, rates and allowances can change, sometimes with limited notice. Tax treatment depends on individual circumstances and may be different from the assumptions used by Count. Tax benefits are not guaranteed.

Count may incorporate tax considerations into its investment recommendations within the scope of the service, but it does not provide specialist tax or legal advice. If your circumstances are complex or uncertain, you should seek advice from an appropriately qualified tax or legal professional.

Financial Services Compensation Scheme

Eligible deposits held directly with a UK-authorised bank, building society or credit union may be protected by the Financial Services Compensation Scheme (FSCS) up to £120,000 per eligible person, per authorised firm. This deposit protection does not apply to money invested in money market fund ETFs or to other investments.

Separate FSCS investment protection may apply in certain circumstances if an authorised investment firm fails and cannot meet a valid claim, normally up to £85,000 per eligible person, per firm. It does not compensate for poor investment performance or normal market losses. Eligibility depends on the product, service, firm and individual circumstances. Further information is available from the FSCS.

Count's regulatory status

Count Finance Ltd is authorised and regulated by the Financial Conduct Authority (FRN 1017828). Its live services are currently operating within the FCA Regulatory Sandbox and are provided within the scope of Count's current permissions and applicable Sandbox restrictions while the services continue to be tested.

FCA authorisation and participation in the Regulatory Sandbox do not mean that the FCA has approved, endorsed or guaranteed Count's service, its recommendations or any investment. They do not remove the risks described in this document.

Before you invest

Do not invest until you understand the recommendation, the risks, the fees and charges, and when you are likely to need the money. Read your personalised suitability report and the product information provided to you. If any information used by Count is wrong or incomplete, update it before accepting the recommendation.

If you are unsure whether Count's service or a recommendation is appropriate for you, or you require advice outside the scope of the service, seek advice from an appropriately qualified professional before proceeding.