

Adam & Company



Transferring Adam & Company to Coutts & Company

All you need to know

A&L

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Some definitions

Adam	Adam & Company.
Answers	These are formal written objections to the Court which must comply with the rules of the Court. Answers are normally prepared by Scottish legal counsel.
Canaccord	Canaccord Genuity Wealth Management. In October 2021, NatWest Group sold the Adam & Company Investment Management business, AIM legal entity and the Adam & Company brand to Canaccord.
Court	The Court of Session in Edinburgh.
Coutts	Coutts & Company.
Effective Date	The date the Transfer comes into effect. It is expected that this will be at 00.01 am on 2 July 2022.
FCA	Financial Conduct Authority.
FSCS	Financial Services Compensation Scheme.
PRA	Prudential Regulation Authority.
RBS	The Royal Bank of Scotland plc.
Scheme document	A copy of the legal document which sets out the terms of the proposed transfer.
Transfer	The Banking Business Transfer Scheme.

1 About the Transfer

In April 2021, we announced our intention to transfer our Adam & Company banking and lending business to our sister company Coutts & Company using a legal scheme which requires approval from the Court of Session in Edinburgh.

This is called a Banking Business Transfer Scheme (the “Transfer”) and is covered under Part VII of the UK Financial Services and Markets Act 2000. As well as needing approval from the Court of Session to transfer the Adam & Company business, we are also required to consult with the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA).

This booklet provides further information about the Transfer, how it works, what it means for you and how to make your views known should you wish to.

Should the Transfer be approved, it will take effect at 00.01 am on 2 July 2022. At this point you will become a client of Coutts & Company. This booklet also provides information about Coutts and the Coutts offering.

Until this date, the assets and liabilities, including accounts and contractual arrangements, relating to Adam & Company will remain with Adam & Company.

A document setting out the terms of the Scheme (the “**Scheme Document**”) and a summary of some of the principal terms of the Scheme (the “**Scheme Summary**”), are available at adambank.com/transfer. They are also available free of charge, for collection in person, from 6-8 George Street, Edinburgh, EH2 2PF.

This booklet and a template of the letter that we have sent to you about the proposed transfer are also available on our hub at adambank.com/transfer.



What is the proposal?

We are planning to transfer most of the business of Adam & Company to Coutts & Company (“Coutts”) using a Banking Business Transfer Scheme (“Scheme”) under Part VII of the Financial Services and Markets Act 2000. This is subject to consultation with the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA) and the approval of the Court of Session in Edinburgh.

There are some arrangements and activities that will either not transfer or will be managed outside the transfer scheme. This includes credit and charge cards which are explained in more detail on page 19.

Should the transfer be approved, the Scheme will transfer the existing banking and lending business including the execution-only dealing services, certain investments, custody accounts and Stocks and Shares ISAs of Adam & Company to Coutts.



When?

Communications and court dates timeline

APRIL 2021

We wrote to you in April 2021 to tell you about our proposed plans.

17 MARCH 2022



FIRST COURT HEARING
17 MARCH 2022

When we outline our plans.

We write to you to provide notice of the proposed transfer.

Why?

Following a detailed review on how Adam & Company clients can best be served, Coutts will become the principal private bank offering for the NatWest Group. Coutts will be able to provide the broader capabilities which they already have to benefit private banking clients.

How?

Court approval is required to enable the smooth transition of the Adam & Company banking and lending business from the Royal Bank of Scotland plc legal entity to the Coutts & Company legal entity.

31 MAY 2022



FINAL COURT HEARING 31 MAY 2022

When we return to Court to seek approval for the transfer.

We write to you to provide confirmation of the transfer being approved.

2 JULY 2022



EFFECTIVE DATE 2 JULY 2022

If the Court of Session in Edinburgh gives their approval the Effective Date of the transfer will take effect at 00.01 am on 2 July 2022.

Welcome
to Coutts

Throughout this time, we will keep you updated and let you know if there is anything you need to do.

2 Background on Coutts

Did you know?

Coutts has a strong connection with Scotland. It was founded at the sign of the Three Crowns in London's Strand in 1692 by John Campbell, a Scottish goldsmith. A fellow Scot and banker, George Middleton, was taken into partnership in 1708. In 1755 the business became known as Campbell & Coutts, following the entry into the partnership of James Coutts, the son of an Edinburgh banker.



James took his younger brother, Thomas Coutts, into partnership as James & Thomas Coutts. This partnership continued until 1775 when James retired and the business adopted the title of Thomas Coutts & Co. When Thomas Coutts died in 1822, the bank was renamed Coutts & Co.

In 1920, Coutts & Co merged with National Provincial & Union Bank of England, but retained its separate identity as a private bank with its own board of directors. In 1968, Coutts owner National Provincial Bank and Westminster Bank agreed to merge to form National Westminster Bank.

Coutts & Co continues to operate as a separate company within NatWest Group, with its own independent board of directors.

Coutts Proposition

Coutts provides banking, lending and wealth management services to clients across a range of communities including Enterprise, Professionals, International & Family Office with relationship and support teams based across England, Scotland and Wales.

International services are provided by the teams based in London, together with the Coutts Crown Dependencies teams in Jersey, Guernsey and the Isle of Man who are part of RBS International.

Coutts offers a broader banking proposition of private banking and flexible lending, underpinned by personalised financial advice.



Access to Coutts
products and services

3 The changes explained

We want to reassure you that whilst there may be some small changes to your products and services, we will keep you informed and be in touch if there is anything you need to do as a result of the Transfer.





The transfer can only proceed if it is approved by the Court. If this happens, we expect the transfer to take effect at 00.01 am on 2 July 2022. Nothing will change before then as a result of the proposed transfer.

3.1 Changes you will see

Brand

If the Transfer is approved, your account(s) will transfer to Coutts and you will be a client of Coutts.

You will continue to see the Adam & Company brand for a period of time after the transfer but this will not affect your banking and lending services.

You can continue to use your Adam branded cards, cheque and paying in books until they are replaced with Coutts ones.

What happens if my debit card is due to expire or is lost/stolen shortly after the transfer?

Your replacement debit card will be re-issued as an Adam debit card. We will not be re-issuing lost Adam cards with Coutts cards until later this year. We expect that you will receive your new Coutts cards by mid-Summer 2023.

Documentation

You will see a change on documentation.

From:

Adam & Company, a business name of The Royal Bank of Scotland plc. Registered in Scotland no. SC083026. Registered Office 36 St Andrew Square, Edinburgh EH2 2YB. Financial Services Firm Reference Number 114724. The Royal Bank of Scotland plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

To:

Coutts & Company is registered in England No. 36695. Registered office 440 Strand, London WC2R 0QS. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Financial Services Firm Reference Number 122287. Registered VAT number: GB 243852752.

Data Protection & Data Controller

If the Transfer is approved, Coutts will become the data controller for your personal data and will be responsible for gathering and storing and keeping it safe.

If you do not agree to your personal data transferring to Coutts, you should object within 30 days of the date of the letter accompanying this booklet.

Coutts will need your personal data in order to provide your banking products and services as Adam & Company does today. This means that if you object to your personal data transferring, Coutts will not be able to provide you with banking products and services. Any account(s) you have will therefore need to be closed before the Transfer.

How will you protect my personal data?

There is no change to the control environment in which it is held or to the locations or jurisdictions where it is stored. Coutts will become your Data Controller. Your personal data will be protected and kept safe.

What will happen to my personal data?

Your personal data will be transferred to Coutts. Coutts will use your personal data in the same way and for the same purposes as Adam & Company held it. Any marketing consents that you gave regarding marketing activity carried by Adam & Company and/or the wider NatWest Group will continue as before. If you would like to revisit your marketing preferences, please contact us on 08000 564 010.

For details on how Coutts will use your personal data please see their Privacy Notice at www.coutts.com/Privacy

3.2 Changes that may affect your Financial Services Compensation Scheme (FSCS) protection

If you already have a Coutts account or if you have deposits of over £85,000 with Adam & Company, it is important that you read this to understand what the implication of the transfer may have on your FSCS protection and whether you might want to consider taking action to protect it.

The FSCS compensates you if your UK authorised financial provider stops trading or becomes insolvent.

Your FSCS cover is for one allowance of £85,000 (or £170,000 for a joint account).

If the transfer goes ahead deposits currently held with Adam & Company, or Coutts, or both, will all be within one regulated bank, that is, Coutts. This means that you will then be covered by the FSCS in respect of Coutts only.

If, after the transfer, you will have deposits with Coutts that exceed the FSCS protection limit you can make a withdrawal to reduce your deposits with Coutts either down to the FSCS coverage limit; or if before the transfer, you already had deposits with Coutts then you can reduce your deposits down to the level that you had before the transfer; whichever of these is greater.

You can withdraw affected balances up to three months after the Effective Date, without penalty or loss of accrued interest. Coutts can help you find out if there is a suitable alternative account that the NatWest Group can offer you.

You can find more information about the FSCS at www.fscs.org.uk

I have deposits with RBS and Adam today, will there be any change to my FSCS protection?

After the Transfer, your FSCS cover may increase as your banking will be with two separate regulated banks being RBS and Coutts.

3.3 Ways of Banking

Following the Effective Date, you will have access to Coutts banking services and channels.



Your private banker

Whilst Coutts will look to maintain existing private banking relationships, in the event that there is a change you will be provided with full details.



Your Adam 24 team

From the Effective Date, you will have access to Coutts 24 telephony service – the same team who serve you today.



Your Online Banking and Mobile Apps

You will be provided with new log-in details to use Coutts Online Banking and will need to download the Coutts mobile app. We will let you know closer to the time how to do this.



Open Banking

If you use the 'Open Banking' feature on your mobile banking app and you wish to continue to do so once the transfer is complete, you will need to give Coutts your consent. You will be asked to give this on the Coutts mobile app the first time you log on after 2 July 2022.

3.4 Changes to your banking services

We recognise that for your day-to-day banking arrangements, there are some differences between the offerings from Adam and Coutts. We want to reassure you that Coutts will continue to offer the same level of service that you enjoy today.

Your sort codes and account numbers

There will be no changes to the sort code(s) or account number(s) of transferring clients as a result of the transfer.

Your books and cards

You will be able to continue to use your existing cheque books, paying in books and debit cards until these are re-issued.



Debit cards

You will be able to use your Adam debit card until you are issued a Coutts debit card.

What is changing

ISA Manager

Your ISA Manager will change from Adam & Company to Coutts.

There will be no change to the interest rate and the interest you receive as a result of the transfer.

What it means

Your ISA will continue to operate as it does today.

We will write to you again to give you notice about the change of ISA Manager.

At the end of the financial year, instead of getting a 'statement of interest' from Adam & Company, you will be sent a statement from Coutts on the interest you have received.

Adam Worldwide ISA

Your Adam Worldwide ISA will transfer to a Coutts Self Select ISA.

Clients of this product will have received information about this.

Tax Certificates

Statement of Interest

For the tax year 2022-2023, you will be issued a closing tax certificate and UK Tax Report from Adam for the period 6 April 2022 until the date of transfer.

You will also receive a further tax certificate from Coutts for the period from the date of transfer until 5 April 2023.

You will receive these in the Summer 2023.

What it means

Direct Debits

Coutts will collect your Direct Debits.

What it means

There is no need for you to complete any new Direct Debit instructions for payments to be made from your account.

Fees and Charges

There will be no change to your current fee structure as a result of the transfer.

The fee arrangement you have will remain in place for a minimum of 12 months after the transfer takes effect.

Where relevant, the changes that we told you about in December 2021 still apply.

When will I receive my annual statement of fees?

You will receive an interim statement of fees for the period January 2022 to June 2022.

In Spring 2023, you will then receive a further statement of fees, as a Coutts client for the period July 2022 to December 2022.



Banking and Lending

Lending



What it means

Loans secured on investment portfolios that have transferred to Canaccord.

Your security will remain in place.

There will be no change in the terms of the third-party charge held over the Canaccord portfolios.

Lending facilities will remain in place until repaid.

Other loans

Any lending that has been agreed will remain in place after the transfer.

You will still be charged the same.

Your lending facilities will remain in place until repaid.

Credit and charge cards



What it means

Credit cards and charge cards will not transfer as part of the Scheme.

We will write to you shortly to invite you to apply for a Coutts card to replace your Adam & Company credit or charge card.

Mortgages



What it means

From the Effective Date, Coutts will be responsible for setting all Mortgage Rates, including the Base Rate and Standard Variable Rate.

All security and guarantees granted to Adam will transfer to Coutts.

Loans with Guarantors

If you have a loan with us where someone has agreed to be a guarantor or given an indemnity and they have committed to repay your loan in the event that you are not able to, they may need to be made aware of the Transfer. This is because the guarantee will transfer to Coutts if the Court gives its approval.

If you have a guarantor for your lending please share a copy of this booklet with them so they know what is happening.

Guarantor for an Adam client

Any guarantee or indemnity that you have given will transfer to Coutts, and Coutts will become the person that you have obligations to. If the client that you have given a guarantee or indemnity for also banks with Coutts, then this may mean that any banking products that the client has with Coutts

would be brought within the scope of the guarantee or indemnity. However, the Transfer contains restrictions on Coutts which mean that your liability under any guarantee or indemnity given to Adam will not be increased as a result of the transfer.

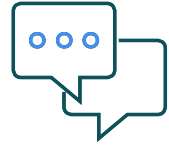
Guarantor for a Coutts client

If you are a guarantor for a Coutts client or have given an indemnity, and the client that you have given a guarantee or indemnity for also banks with Adam, then any banking products that the client has with Adam will be transferred to Coutts. This may mean that those banking products would be brought within the scope of the guarantee or indemnity. However, the Transfer contains restrictions on Coutts

which mean that your liability under any guarantee or indemnity given to Coutts will not be increased as a result of the transfer.

You should note that the restrictions on Coutts under the Transfer described will not apply if the guarantee or indemnity would have covered the relevant Coutts products for an Adam guarantor or vice versa.

Changes to how you get in touch with us



Your private banking team

Your private banking team will still be there for you but you may be provided with new contact details.



Digital and Online

Online Banking and Mobile App to Coutts

Please continue to use your Adam Online Banking and mobile app as you do today. After the transfer, you will use the Coutts online and Coutts mobile app.

We will need an up-to-date email address and mobile phone number to set you up on Coutts online banking and mobile app. We will write to let you know how to get set up on Coutts online banking closer to the time of transfer.

Do we have your up-to-date email and mobile phone number?

Adam 24 to Coutts 24

You can still use the numbers you already have for switchboard and card services but may wish to take note of Coutts contact details for future use.



Coutts 24	+44 (0)20 7957 2424
Coutts Card Services (including lost and stolen cards)	+44 (0)20 7309 0045
Coutts Digital Helpdesk	+44 (0)20 7770 0000
Coutts Business Line	+44 (0)20 7770 0070
Coutts Fraud Prevention	+44 (0)20 7770 0011
Switchboard	+44 (0)20 7753 1000

These telephone numbers can also be found at [coutts.com](https://www.coutts.com) under the ‘Contact us’ section.

Our Offices

Once the transfer is complete, you will have access to the broader network of Coutts regional offices throughout the UK, as well as Coutts flagship head office at 440 Strand in London.

All Royal Bank of Scotland, NatWest branches and Post Office[®] branches remain available for local cash transactions.

4 Contractual Rights and Waivers

Keeping you safe and protected

To protect you and your rights, the Transfer contains restrictions which mean that Coutts will not be able to use rights that it has acquired as a result of the Transfer. For some rights, this will only be for a specific length of time. These restrictions on Coutts will not apply if the rights would have been exercisable anyway, had the transfer not happened.

The right	What it means
Set Off	This is the right of a bank, in certain circumstances, to use money you have deposited with it (such as in a current account or a savings account) to go towards paying off a debt (such as a loan or a mortgage) that you have with that bank or another person that has become repayable.
All Monies Right	This is when a bank can use security that you have given in relation to a debt that you have with them to pay off another debt or other obligation that you have with them.
Cross-default	This is when a bank has the right to require payment or the performance of obligations under one agreement as a result of your default in respect of your obligations under another agreement.
Guarantee or Indemnity rights	This right means that a bank can ask you to carry out the obligations of another person under an agreement that the other person has with the bank, or to indemnify the bank in relation to that other person's default under that agreement.
Consolidation rights	This is the right of the bank, in certain circumstances, to not pay back or return the security that you have given them against a debt until another debt or obligation you have with them is paid off.

What we are doing

If the Transfer goes ahead, Coutts will not be permitted to exercise any of the rights unless these rights could have been exercised, had the Transfer not happened.

For set off rights this only applies for three months from the date of transfer. If your deposit account is on a fixed term or on a promotional rate then the three-month restriction runs from the date when the fixed term or the promotional rate ends.



Other Rights

A bank may have other rights to alter or secure a liability owed to it, or to restrict the way in which a client deals with credit balances on their account.

If the Transfer goes ahead, Coutts will not be permitted to exercise rights to alter or secure liabilities owed to it, or to restrict the way in which you deal with credit balances on your account unless these rights could have been exercised, had the Scheme not happened.

In relation to credit balances, the restrictions in the Transfer on Coutts will apply for three months from the date when the transfer is complete. If your deposit account is on a fixed term or on a promotional rate, then the three-month restriction runs from the date when the fixed term or promotional rate ends.

Entire Agreement Clauses

Some terms and conditions may state that they apply to all products of a certain type that a client holds with a bank. These are known as “entire agreement” provisions. If the Transfer goes ahead, from the Effective Date, any entire agreement clauses will apply to the same products as they applied to before the Effective Date, meaning that:

1. Adam & Company products will continue to be governed by the terms originally issued by RBS, subject to some limited technical changes made by the terms of the Scheme, and with Coutts becoming the party providing the service when the transfer takes effect.

The Adam Worldwide ISA product is subject to additional changes. Further details are provided to clients of this product in the letter sent with this booklet;

2. Coutts products will continue to be governed by the terms issued by Coutts; and
3. Any new terms and conditions issued by Coutts to its clients in the future will only apply to Adam & Company products if that is explicitly stated.



Tax implications of the Scheme

Will the implementation of the transfer have any tax implications?

If the proposed transfer is approved by the Court, you should note that as a consequence of the Transfer, your product(s) and service(s) will be provided by Coutts & Company – a company that, like Adam & Company, is resident for tax purposes in the United Kingdom. We are unable to discuss the tax consequences for clients arising from the transfer. If you are in any doubt as to your tax position or your tax reporting requirements, please consult your professional advisers regarding any possible tax consequences of the proposed transfer.

5 How you can ensure your views are considered

If you have any questions or concerns in relation to the Transfer, we encourage you to contact your private banker in the first instance who should be able to answer any questions you may have. You can also telephone Adam 24 on 0131 278 3777.

If you think you may be adversely affected by the transfer, you have a couple of ways to make sure your views and representations are considered by the Court. You can do this by:

1. Lodging formal objections with the Court

You can lodge formal written objections (known as Answers) with the Court. If you wish to lodge Answers, you should seek independent legal advice.

Answers must be lodged with the Court at: The Outer House of the Court of Session (Petition Department), Parliament House, Parliament Square, Edinburgh, EH1 1RQ, within 21 days of the publication of the last of the notices relating to the Transfer, that is on or before 5.00 pm on 11 April 2022.

Answers must be accompanied by a fee to the Court.

2. Informal written objections or attending the Court hearing in person

You may attend the Court hearing in person or appoint a legal representative to do so in order to present any objection. Informal written objections may be made to the Court prior to the Final Court Hearing on 31 May 2022. It would be helpful if you could inform RBS in writing stating your objection, at the address below if you intend to do any of the above, before 5.00 pm on 11 April 2022:

The Royal Bank of Scotland plc,
36 St Andrew Square,
Edinburgh,
EH2 2YB.

We will keep you updated on any changes to the Court dates through our dedicated hub at adambank.com/transfer.

6 How we will support you



If you have any questions or concerns in relation to the Transfer, please contact your private banker in the first instance who should be able to answer any questions you may have. You can take a look at adambank.com/transfer for further information.

We will keep you informed over the coming months and will advise you of anything you may need to do to ensure a smooth transition ahead of the Effective Date.

We will also keep you updated closer to the Effective Date, so you are aware of any planned downtimes to some systems as we move to the Coutts platform.

The team is also available to support you on Adam 24 on 0131 278 3777.

7 Answering your questions

Why is Court approval required to integrate the remainder of Adam & Company into Coutts, and why will this process take until mid-2022?

Court approval is required to enable us to make use of a Banking Business Transfer Scheme under Part VII of the Financial Services and Markets Act 2000 to transition the Adam & Company banking and lending business from the Royal Bank of Scotland plc legal entity to the Coutts & Co legal entity. This process requires a significant period of time to implement due to the planning required, engagement with regulators and the Court process.

What is the relationship between Adam & Company and Coutts?

Adam & Company operates as a brand under the RBS banking entity within the NatWest Group. Both Coutts & Co and Adam & Company are Private Banks within the Group. Coutts operates independently as a separate banking entity within NatWest Group.

I am an Adam client. Can I transfer to Coutts/RBS/NatWest now?

If you wish to transfer to Coutts, NatWest, or Royal Bank of Scotland, before the transfer takes effect you would need to apply as a new client to open an account(s) with them. Please talk to your private banker if you are considering moving to Coutts ahead of the transfer.

What is happening to the Adam & Company brand?

There will be a period after the Effective Date when you will continue to see the Adam & Company brand, for example on cheque books or cards until these are replaced with Coutts ones.

A&L

THE VALUE OF INVESTMENTS, AND THE INCOME FROM THEM,
CAN GO DOWN AS WELL AS UP. YOU MAY NOT RECOVER
THE AMOUNT OF YOUR ORIGINAL INVESTMENT

Braille, large print and audio

If you would like this document in another format such as Braille, large print or audio, please let us know.

Important Information

Adam & Company is a business name of The Royal Bank of Scotland plc. Registered in Scotland No. SC083026. Registered Office: 36 St Andrew Square, Edinburgh EH2 2YB. Financial Services Firm Reference Number 114724. The Royal Bank of Scotland plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Calls may be recorded. **adambank.com**