

Terms of Business

Herbert Scott Ltd is authorised and regulated by the Financial Conduct Authority (FCA). You can check this on the FCA's Register by visiting their website www.fca.org.uk/register. Our FCA Register number is 179810.

Scope of Authorisation

We are permitted to give advice on and implement deals, on an advisory basis, in investments and non-investment insurance contracts.

Scope of Advice – Independent Advice

Investment – We will only provide advice and make a recommendation to you having fully assessed your financial needs and objectives. Our recommendations will be based on a comprehensive and fair analysis of the market.

Non-investment Insurance – Herbert Scott Ltd is permitted to advise on and arrange (bring about) deals in non-investment and general insurance contracts. We are an insurance intermediary and act on behalf of clients and not insurers.

Prior to providing you with any advice we will take time to understand your current circumstances and attitude to risk. We will provide you with our advice and recommendations after we have assessed your needs. Any advice provided will be confirmed to you in writing.

We take our regulatory responsibilities very seriously and we ensure that our staff are required to demonstrate their competence to undertake their role. Our business is structured in a manner that is designed to meet, all the requirements set by, the FCA which includes European Securities and Market Authority rules.

We do not restrict our advice to certain companies. Instead, we use research tools to help us find a product and provider most suited to your needs.

Unless advised to the contrary, we will assume that you do not wish to place restrictions on the types of products or investment solutions we may recommend, or the markets in which transactions are to be executed.

Client Classification

We classify all clients as 'retail clients' for investment business and 'consumers' for non-investment insurance business, which means you are afforded all the protections under the rules of the FCA. If you wish to be classified differently for investment business, you should raise this with your adviser. In relation to non-investment insurance business, your adviser will inform you should your circumstances dictate that we would need to classify you differently.

Please note that should you wish to be considered as a different category of customer for investment business, such as a professional client or eligible counterparty, you must inform us in writing. You may lose several protections and, if that is the case, we will confirm this in writing.

Best Execution Policy

It is our policy to transact your business to achieve the best possible results. Please see our Best Execution Policy for further details. This will be provided separately whenever we recommend new policies or investments for you.

Methods of Communication

Unless you tell us otherwise, we will communicate with you via the following methods: face to face, email, telephone, and letter.

For the sake of clarity and to avoid misunderstandings, we prefer our clients to give us instructions in writing by letter or email. On some occasions we may accept oral instructions provided they are confirmed in writing. We may, at our discretion, refuse to accept instructions although such discretion shall not be exercised without good reason.

Data Protection

For details of our Data Protection Policy, please see our Privacy Policy, which will be supplied to you separately.

How We Charge

To ensure that you are fully aware of the cost of our services and how and when you will be asked to pay, we will always confirm this verbally and in writing.

Fees for our services are usually not subject to VAT. If VAT were to apply, we will tell you before we carry out any chargeable work and confirm the amount in writing.

Handling Your Money

We do not handle clients' money. We never accept a cheque made out to us (unless it is a cheque in settlement of fees or disbursements for which we have sent you an invoice) or handle cash.

Investments will be registered in your own name unless you instruct us otherwise in writing.

Introduction to a Third Party

We may receive a fee for making introductions to a third-party product or service provider. Should we expect to receive a fee we will confirm in writing to you what that fee will be.

When acting as an introducer, marketer or promoter of a scheme, no responsibility is accepted for any matters arising from the referral to the scheme product provider. It is your responsibility to ensure that you agree separate Terms & Conditions with the third-party adviser.

Conflicts of Interest

We will not receive any financial inducement or gift that will in any way compromise our ability to provide you with suitable advice.

We have a legal and regulatory obligation to take appropriate steps to identify potential conflicts of interest. Should any of our business interests or activities create a potential conflict of interest, we will ensure that there is no detriment to you, by maintaining robust systems and controls. In the unlikely event that we are unable to prevent a potential conflict from arising, we will bring it to your attention and detail the steps we propose to take to ensure you are not disadvantaged in any way.

Electronic Identity Verification

As part of our advice process, we are obliged to prove the identity of our clients. This involves cross-checking your details with a third-party company. The use of electronic identity verification is given approval by the Joint Money Laundering Steering Group (JMLSG) and is an accepted tool in the fight against financial crime.

Complaints

If you wish to make a complaint, please contact us in writing or telephone us. Our contact details are shown at the foot of this agreement. If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service. <http://www.financial-ombudsman.org.uk>

A summary of our procedure for the reasonable and prompt handling of complaints is available upon request.

Compensation Arrangements

Most of the products we advise on are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme if we or product providers cannot meet certain contractual obligations. This depends on the type of business and the circumstances of the claim.

Investment - Most types of investment business are covered for 100% of the first £85,000 per person per firm, so the maximum compensation is £85,000 per person per firm.

Insurance - Protection is at 100% without limit, where the claim is in relation to a long-term care insurance contract that is a pure protection contract, or the claim is in respect of a liability subject to compulsory insurance. In all other cases: 90% of the claim without limit.

Deposits - Money in accounts like current and savings accounts, including cash Individual Savings Accounts are covered up to £85,000 per authorised firm (£170,000 for a joint account). It should be noted that authorised firms may have several different brands. The FSCS will provide a £1million protection limit for temporary high balances held with your bank, building society or credit union if it fails. A temporary high balance would apply when payments have been received in respect of specified life events, details of which can be obtained from the FSCS.

If you would like further information about the compensation arrangements, details are available at www.fscs.org.uk or by telephone at 0800 678 1100.

Termination of our Services

You or we may terminate this agreement at any time by confirming your intention in writing.

If you terminate this agreement after you have agreed to make an investment or commence a policy arranged by Herbert Scott, we shall be due to receive the agreed fee or commission for setting this up.

Upon termination of this agreement, ongoing services shall cease, and we shall be due to receive accrued fees as follows:

- If you have instructed your product or investment provider to pay our ongoing fees, we will let them know you have terminated our agreement within ten working days and request that no further fees are accrued. Please note that fees which have accrued up to the date the provider carries out our request will be payable to Herbert Scott. We shall not reimburse any fee relating to the period between your notification and the date the provider actions our request.
- If you pay our ongoing fees directly, we will issue an invoice for the final fee which will be calculated pro rata up to the date of termination.

Where you hold assets on a wrap platform it may be necessary for you to remove these assets from the platform unless you appoint a new adviser to supply ongoing advice and services.

If we have terminated the agreement, upon request, we will signpost you to alternative sources of financial advice.

We reserve the right to charge for any work we may be asked to undertake after ongoing fees have ceased, on a time cost basis. We will confirm rates and estimate the time required in writing before we carry out any chargeable work.

On death, we will turn off adviser charging within 30 days of notification. We reserve the right to charge the executors or administrators of your estate a fee of £200 per hour for any subsequent work.

Client's Consent

This is our standard Terms of Business upon which we intend to rely. For your own benefit and protection, you should read these terms carefully. If you do not understand any point or have any questions or concerns, please do not hesitate to ask for help.