

# HARGREAVES LANSDOWN GENERAL TERMS & CONDITIONS OF BUSINESS

Hargreaves Lansdown Stockbrokers Ltd (HLSB) Hargreaves Lansdown Asset Management Ltd (HLAM), & Hargreaves Lansdown Advisory Services Ltd (HLAS) are authorised and regulated by the Financial Conduct Authority (FCA), 25 The North Colonnade, Canary Wharf, London, E14 5HS, and bound by its rules. HLSB, HLAM and HLAS, reference numbers 149970, 115248 and 189627 respectively. Registration can be checked on the FCA's website <http://www.fsa.gov.uk/register/home.do> or by contacting the FCA on 0845 606 1234.

HLSB is a member firm of the London Stock Exchange and the ICAP Securities & Derivatives Exchange (ISDX), and is regulated as an independent agency stockbroker, in the provision of both stockbroking and other investment services.

HLAM is an independent broker and adviser and is authorised as an investment intermediary and investment manager in respect of UK listed and unlisted securities, foreign securities, collective investments, pension funds, life assurance, ISAs and as an ISA Account manager and administrator. We are able to offer life policies and life assurance from the whole market.

HLAS is an independent broker and adviser and is authorised as an investment intermediary.

Hargreaves Lansdown Corporate Solutions is a trading name of HLAS and HLAM.

These are our standard Terms & Conditions upon which we intend to rely for 3rd party business. They do not apply to Vantage Accounts or any other accounts where we will be responsible for client money or assets. If you are applying for a Vantage Account, please ensure you read the Terms & Conditions of the specific account that you are applying for. For your own benefit and protection you should read these terms carefully before committing to an investment. If you do not understand any point please ask us for further information, when you use our services we will take this as acceptance and agreement of our terms, and you will be bound by them.

## General Terms & Conditions - Hargreaves Lansdown Asset Management Ltd & Hargreaves Lansdown Advisory Services Ltd

### 1. DOCUMENTATION

Investments will be registered in your name, unless otherwise agreed in writing. Contract notes will be forwarded to you within two business days of the transaction. If title documents are held for longer than two days we will hold them in our safe facility and enter them in the register maintained for the FCA rules. If you want your title document held by someone else (a third party) you will be responsible for them and any default by them.

All documents, cheques, etc will be sent by post. We can send documents by registered post at your request (and expense). We shall not be liable for any documents lost in the post and it will be your responsibility to pay all charges incurred for the recovery or replacement of lost documents.

As a 'Retail Client' you will receive the very highest levels of investor protection when dealing with us. All services will be provided on an 'execution only' basis, unless we have personally advised you, after an assessment of your personal circumstances. Once investment is made, we shall not provide you with further advice unless you ask us to. You or we may terminate our authority to act for you by providing notice in writing. Any transaction already in progress, will be completed.

### 2. RECEIVING INSTRUCTIONS

We require written instruction to act on your behalf. Oral instruction will be accepted with our prior agreement, and we may require you to provide confirmation in writing.

### 3. LEVEL OF SERVICE

Unless explicitly stated and agreed with you in writing, we will not provide you with personal financial advice and therefore do not have a duty to ensure suitability. This means you will not be entitled to compensation from us, if it is established that the service or product you select is not suitable. It is your responsibility to take into account your circumstances and objectives and make your own judgement as to suitability. If you have any doubts we recommend you take professional financial advice.

### 4. ANTI-MONEY LAUNDERING

We may approach a third party (i.e. credit reference agency) to confirm your identity, or any other person providing funds on your behalf and by dealing with us we accept this as your consent. We may also run additional verification checks at a later date should this be necessary, where further information is required, to confirm identity, we may delay applications or withhold settlement until adequate identification has been provided.

### 5. DUE CARE AND DILIGENCE

We will exercise due care and diligence in conducting business with you. We are not however liable for any loss or fall in the value of any investments. Investments can go down in value as well as up and you could get back less than you invest. The past is not a guide to future performance.

### 6. CLIENT MONEY

Monies awaiting investment will be held in a CLIENT BANK ACCOUNT with Lloyds TSB Plc, HBOS Plc, or other authorised bank(s) or authorised institution(s) we may choose. Client bank accounts are designated as trust accounts and are segregated from our own funds. They may include the balances of other clients. The banks we use are not Associates of Hargreaves Lansdown and we do not accept liability for any default/failure by any bank or any other such institutions. You are not entitled to interest unless otherwise specified. We reserve the right to retain interest. All client account balances not committed to investment are returned to you immediately on request. Acquisition costs, currency conversion costs, management charges and tax shall be your responsibility and if appropriate may be deducted from account balances. Interest earned on cleared client balances in client settlement accounts shall be deemed to be that of HLAM. Cheques must only be made payable to the HL 'Client Account' as specified on the application form OR the product provider concerned, as specified on their application form. For pension policies, cheques should be made payable to the product provider concerned. HLAS DO NOT HANDLE CLIENT MONEY.

### 7. OUR ORDER HANDLING POLICY

When you ask us to buy or sell investments we will abide our 'Order

Handling Policy', which details our approach to obtaining the best results for our clients. When we deal for you we consider a range of factors including price, costs, the speed at which we will be able to complete your deal, the likelihood of being able to place the deal and settle it, the size of your deal, the nature of your order and other relevant considerations. The most important factor is the price because we believe this is our clients' key consideration. Please bear in mind that if you give us specific instructions regarding the way in which you would like us to place your deal, we may not be able to obtain the best results for you. We deal through the London Stock Exchange, PLUS Markets and a number of Retail Service Providers and Market Makers. We may occasionally need to place your deal outside a regulated market, for example if you wish to buy or sell overseas shares and by accepting these terms you give your consent and agreement to this. When you buy and sell unit trusts, OEICs and other open ended investment funds we already deal directly with the fund manager. You can read a copy of our Order Handling Policy, which includes full details of the exchanges and Market Makers we deal with, on our website at [www.hl.co.uk/orders](http://www.hl.co.uk/orders). If you give us a dealing instruction we shall assume that you are happy with, and agree to, our Order Handling Policy.

### 8. DELAYS IN PROCESSING

We will not be held responsible for any delay beyond our control, or as a result of a failure by any party (including you) to complete all the necessary steps to process a transaction.

### 9. HOW WE MANAGE CONFLICTS OF INTEREST

We are determined to treat our clients fairly at all times. If case conflicts arise between the interests of Hargreaves Lansdown, our employees and our clients and also between clients, we have a specific policy in place to ensure that we identify and handle conflicts fairly and treat our clients with honesty and integrity at all times. You can read a copy of our full Conflicts Management Policy on our website at [www.hl.co.uk/conflicts](http://www.hl.co.uk/conflicts)

### 10. HOW WE ARE PAID

Our income comes from either commission from the investment managers and other providers we place business with or fees paid to us by our clients for financial advice where this has been requested. For example, for arranging a unit trust/OEIC investment Hargreaves Lansdown is usually entitled to receive renewal commission of up to 1.5% per year; on average we receive 0.5% per year (as at 01 March 2012). Hargreaves Lansdown is also entitled to receive initial commission of up to 5%. On a typical investment of £3,000 this would be equivalent to £150. All or part of the renewal and initial commissions will be used to help fund the initial savings. We may also receive reasonable gifts from product providers, these are closely managed to ensure client interests are not affected. Where we have agreed with you to charge a fee, you will be notified in writing before chargeable work is carried out, with an explanation of the basis for fee calculation. Should you require further details in respect of our remuneration, commissions, payments and fee details these are available on request. If HLSB are used as Stockbrokers to execute deals we will receive any commission payable. You can also ask us for details of any stockbroking commission shared with third parties. Where you request immediate reinvestment of proceeds of a unit trust/share sale, we will reinvest once proceeds are received, or earlier, at our discretion.

### 11. YOUR CANCELLATION RIGHTS

You have the right to cancel the Vantage ISA/Fund & Share Account by writing to us within 14 days of the contract being concluded. If you exercise your right to cancel the Vantage Account the underlying investments can either be sold or transferred out of HL Nominees' name into either your own name or another nominee's. There may be a charge for effecting these transfers (please see the Vantage Terms & Conditions for details). Where the underlying investments are sold, you could suffer a shortfall between the amount you invested and the amount raised by the sale of the investments. Hargreaves Lansdown will not be responsible for any shortfall that arises. Any shortfall will be borne by you. Where an ISA investment has been made by transferring funds from another provider, cancellation may result in the return of the ISA proceeds directly to you. This may mean that you lose those ISA allowances relating to the transfer. If you exercise your right to cancel the Vantage Cash ISA you will not incur any additional charges or be affected by any notice period. A life policy may attract a cancellation right of up to 30 days. For details and how to exercise this right see

the terms of your chosen product. If you are cancelling a Vantage SIPP you can do so within 30 days of the contract being concluded, by writing to us, for further details on how to exercise this right and the circumstances when cancellation rights apply please see the Key Features and Terms & Conditions of the HL Vantage SIPP.

### 12. DATA PROTECTION

We will use the information we hold about you to manage your Account, and to help us provide a high level of service to you. We will also use it to keep you informed by email, telephone, fax, post or other reasonable means of other services which may be of interest to you. If you would prefer to not receive such information please tell us. All personal information will be treated in confidence by us and will not be given to any third parties, except where required by law, or where you have given us your permission. You consent to us releasing information about you to regulated entities in order to obtain any quotations/ arrange investments or insurance at your request. You are protected under the Data Protection Act 1998, and under these terms you are able to have copy of the information that we hold about you, and correct any inaccuracies (we may charge a nominal admin fee for providing copies). We will keep records for a minimum of six years from the date of your last transaction. For your security, and training purposes, telephone calls may be recorded. They may be used as evidence in the event of any dispute with the company. You agree to us sharing any information that we hold about you with a fraud reference agency should it be required.

### 13. LAW

These Terms & Conditions will be governed by and construed in accordance with English law. We shall communicate with you in English. All documents will be provided to you in English and it is expected that you will communicate with us in English. There is no minimum duration for the contract.

### 14. MAKING AMENDMENTS TO THESE TERMS

**Material Changes to Terms** : We will notify you at least 30 days before making material changes to these terms. Terms are likely to change if we introduce a new service or replace or make reasonable changes to the way we provide an existing service, where there is a regulatory change, to make the terms easier to understand or to remedy manifest errors.

**Changes to Charges/Costs**: We may vary the fees and costs of our services from time to time or introduce a new charge. Any change, or new charge, will be proportionate to the costs we incur and with a view to the market rate. Commissions and fees are in accordance with our rates, published from time to time, which are available on our Website or upon request.

New terms and Charges will only come into force once the 30 day notification period has expired. This means you can end the contract with us during the notification period and all existing terms will apply.

**Incidental Changes** Incidental changes, such as clarity, drafting and typographical amendments, are made immediately and will be notified via updates to the Hargreaves Lansdown Terms & Conditions on our Website and printed in the Investment Times.

### 15. COMPLAINTS PROCEDURE

We have a written policy for handling complaints and ensure we deal with each complaint promptly and fairly. You can contact us for a copy of our procedures. If you have cause to complain a copy of our Complaints Policy will be automatically sent to you. Complaints should be made to the **Client Services Manager** at the company address. If you are unhappy with our response to your complaint you may complain directly to the Financial Ombudsman Service.

### 16. FINANCIAL SERVICES COMPENSATION SCHEME (FSCS)

If we cannot meet our obligations, your investment may be protected by the Financial Services Compensation Scheme. Compensation is provided for 100% of £50,000. Further information about compensation arrangements is available from the Financial Services Compensation Scheme. The Financial Services Compensation Scheme also provides awards if any third party institution we use is declared in default or insolvent.

Go4/08/14