

### **Terms of Business Letter**

This is an important letter. Please read it carefully. It sets out the basis on which IM Asset Management Limited will provide investment services to you. These terms of business have contractual force and apply from the date on which you sign this letter or when you instruct us to start preparing a personal recommendation, whichever happens first.

Your Agreement with us is made up of:

- (1) this terms of business letter address to you ("**ToB Letter**"); and
  - (2) any other agreements you have signed with us,
- (the "**Agreement**").

These terms should be read in conjunction with the information document 'About us, our services, advice and costs', which has also been provided to you. If you have any queries or wish us to amend anything in this ToB Letter, please let us know as soon as possible.

### **Information about IM Asset Management Limited**

1. IM Asset Management Limited is authorised and regulated by the Financial Conduct Authority ("**FCA**"). IM Asset Management Ltd is entered on the Financial Services Register with firm reference number 402770. The main business of the company is the provision of financial planning and investment management services to retail clients. The services we are authorised by the FCA to provide are as follows:
  - managing investments;
  - advising on and arranging investments;
  - dealing in investments;
  - holding and controlling client money; and
  - other investment activities linked to managing investments.
2. IM Asset Management Limited's established main business address is at Riverside East, 2 Millsands, Sheffield, South Yorkshire, S3 8DT. We are a subsidiary of Irwin Mitchell Holdings Limited (incorporated in Jersey, number FC031481) of which the law firm Irwin Mitchell LLP is another subsidiary. We can be contacted in writing using this address, via the telephone on 0300 1500 900 or email on [FSAdminIMAM@irwinmitchell.com](mailto:FSAdminIMAM@irwinmitchell.com). You can also contact us via our website at [www.irwinmitchell.com](http://www.irwinmitchell.com). The information contained in paragraphs 1 and 2 can be checked on the Financial Services Register by visiting the FCA's website [www.fca.org.uk/firms/systems-reporting/register](http://www.fca.org.uk/firms/systems-reporting/register) or by contacting the [FCA](http://www.fca.org.uk) on 0800 111 6768.
3. This ToB Letter details many things which will be relevant for you, including:
  - details of your status and how we have categorised you;
  - details of our services and our ongoing relationship with you;
  - details of how and why we verify your identity and our regulatory obligations relating to prevention of money laundering;
  - details of how we report to you;
  - details of how we deal with your personal data (please also see our privacy notice);
  - how to complain, in the unlikely event you need to;
  - details of protection and compensation you may be entitled to;
  - details of how we deal with conflicts of interest (please also see our conflicts of interest policy);
  - how this agreement may be terminated or varied;
  - any cancellation rights you have; and
  - our limitations on our liability.

### Your Status

4. For the purposes of the FCA rules, you will be categorised as a retail client. Categorisation as a retail client affords the maximum protection under the FCA rules. If you wish to be categorised differently, please inform us and we will consider your request and whether you meet the relevant criteria for a different category.

### Objectives

5. We will agree your investment objectives after we have completed a suitability assessment with you and fully understand your financial circumstances, needs, knowledge and experience, attitude to risk and capacity for loss. It is therefore important that you inform us promptly of any material change to your circumstances or objectives. Failure to do so may result in the risk profile of your Discretionary Portfolio, or other investment portfolio, failing to align with your underlying investment objectives.

### Advice Services

6. IM Asset Management Ltd provides restricted advice, as defined by the FCA rules and guidance. We are able to advise on a wide range of retail investment products. However, depending upon the type of product we believe best meets your needs, we may select a product from a limited range of providers. Having established your individual circumstances and needs, if we identify that a discretionary managed portfolio service is an appropriate solution for your needs, we will normally recommend IM Asset Management Ltd as your discretionary fund manager (DFM). This is because we manage a number of portfolios which are designed to meet the needs of many of our clients on a cost efficient basis. Other discretionary managed portfolios provided by external DFMs are available, based on your specific needs and requirements.
7. Where we recommend holding some, or all, of your investments with an external DFM, we will explain the respective responsibilities of ourselves and the DFM in relation to your investments.
8. Our advice will be based on the information that you give so it is important that you provide us with accurate and up to date information when we request details about your circumstances and objectives. This will allow us to provide you with suitable advice, in the form of a suitability report, and act in your best interests. If the information you provide is inaccurate or if you limit the information provided this could affect the suitability of the advice we give or we may not be able to provide certain services.
9. We may occasionally recommend investments that are not readily realisable. We will only do this where appropriate but, if we do, we will draw your attention to the risks associated with the investments in our suitability report. In some circumstances it may not be possible to deal in non-readily realisable investments or obtain reliable information about their value.

### Our Services

10. The services which we may provide to you are giving investment/financial advice generally and arranging transactions in investments generally. "Investments" include life policies, stakeholder and personal pensions as well as investment trusts, investment trust savings schemes, structured products and units in collective investment schemes including higher risk, tax efficient schemes such as VCT and EIS where appropriate to your individual circumstances. The services that we are able to provide can be tailored to your individual circumstances and needs and your Financial Planner will discuss the options with you.
11. We also provide investment management services in the form of discretionary investment management offering risk graded model portfolios to suit our clients' needs and objectives. Discretionary investment services means that IM Asset Management will make investment decisions on your behalf without seeking prior approval from you. If this type of service is suitable for you, you will receive a suitability report detailing why this investment service is right for you.
12. We will confirm any personal recommendation we make in writing along with details of any associated risks with the product or investment strategy recommended.
13. We will carry out an annual review of the suitability of the investments. To do this we will need to make contact with you to assess whether the information we hold about you remains accurate and up to date. We will issue you with a report setting out the results of our assessment and, if relevant, any updated recommendations. We will inform you if we need to increase the frequency of our suitability review.
14. Please be aware that investment values can fall, as well as rise, and that you may not get back the full amount invested. The price of investments we recommend will depend on the fluctuations in the financial markets, or other economic factors, which are outside our control. Past performance is not necessarily a guide to future performance.

### Our Relationship

15. The person named at the end of this TOB Letter is the Financial Planner who will be your main point of contact with IM Asset Management Ltd although you may be contacted by colleagues, where necessary. Richard Potts, the Chief Executive of IM Asset Management Ltd, has ultimate responsibility for all services provided by this company.
16. We value feedback from our clients and welcome any praise, suggestions or criticisms you may have about our services. Please tell us what you think of the work that we have done for you and how we have performed.
17. We are committed to creating a relationship which is inclusive for all our clients. We aim to avoid expressions or words that may exclude or offend people. If you would like us to use specific pronouns in our communication with you please let us know.
18. Unless stated or agreed otherwise, this Agreement or any other Agreement or document we provide to you will be in English. We will also communicate to you in English.

### Client Identity

19. Before we can provide you with our services, we are required to verify your identity. We will use various electronic means (e-verification systems) to try to do this without requiring you to produce documents. This check may leave a 'footprint' on your credit file but it will not affect your credit rating. If we are unable to adequately evidence your identity from e-verification systems, you will be asked to provide documents which prove your identity. We may conduct these checks throughout our relationship, not just at the beginning. We are obligated to do this under the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (as amended) and FCA rules, which are designed to combat serious financial crime.

### Reporting to you

20. We will produce, or send where appropriate, a valuation of your investments we manage or advise on under this Agreement.
21. Where we have arranged transactions on your behalf via a discretionary agreement, all sales and purchases during the period will be detailed in the delivery of the three monthly report. Where we transact investments outside of a discretionary agreement you have with us contract notes will be sent to you no later than the business day following the date of the transaction, or no later than the business day following the receipt of information about that transaction, whichever is applicable.
22. On an annual basis we will also set out a summary of the cost and charges applicable to your investment portfolio, including the underlying costs of any collective investment schemes you may hold, and illustrate the effect of those charges on the value of your investment portfolio.

### Data Protection

23. In order that we may provide you with services, we need to record and maintain certain factual information on your personal and financial circumstances, which we may hold in hard copy and electronic form. We also need to record and maintain similar information in respect of any trustees or beneficiaries under any trust that we administer. We may use, share, store or otherwise process such information that you have provided to us, including to third parties, for the purposes of providing the services or for ancillary purposes. We will use your information in accordance with our Privacy Notice, which you can access in the Privacy and Security section of our website at [www.irwinmitchell.com](http://www.irwinmitchell.com) or you can contact us on 0370 1500 900 or email to [FSAdminIMAM@irwinmitchell.com](mailto:FSAdminIMAM@irwinmitchell.com) to request a copy. If you are a trustee, or acting in a representative capacity of another person you should also make our Privacy Notice available to them. By disclosing any personal information to us about a beneficiary or other person you are acting on behalf of, we will assume that you have obtained consent to enable the use of such information on these terms.
24. We are required by the FCA to retain certain records for up to seven years after the end of our business relationship. We may choose to retain certain files and records for a longer period but do not undertake to do so.

### Cancellation Rights for Products and Services we Provide

25. You will not be eligible for cancellation rights to investments we arrange for you in your Discretionary Investment Portfolio. You will not have any right to cancel Individual Savings Accounts ("ISAs") we provide which contain only stocks and shares (i.e. non packaged-product, non cash deposit ISAs), however, cancellation rights do apply to a packaged-product ISA and you will have 14 calendar days. Details of these rights and how to exercise them can be found in the ISA application form.

26. If you decide not to exercise any cancellation rights you will continue to be bound by the terms of this contract and those governing any product provider contracts entered into, until that contract is terminated in accordance with its provisions.
27. You have the right to cancel any on-going advice services, as described in the 'About us, our services, advice and costs' document, at any time without penalty. This can be done by notifying us in writing and will take effect from the date of receipt. Please note we do reserve the right to charge you for the services we have provided before cancellation.
28. Where you have not had a face to face meeting with an IM Asset Management Financial Planner during the course of discussions to the conclusion of this Agreement, you have 14 day cancellation period in which to cancel this Agreement. The cancellation right does not apply to any individual transaction effected under this Agreement with the exception of products which have their own cancellation arrangements. Cancellation of this Agreement will not result in the unwinding of transaction effected during the cancellation period.

#### **Cancellation Rights for Third Party Products**

29. Under FCA rules, you may, under certain circumstances, have the right to cancel an agreement or to withdraw your offer to enter into a contract with a product provider. These circumstances will normally arise in relation to packaged products, for example, life policies, collective investment scheme (e.g. unit trusts) or a personal pension plans. We will inform you of your cancellation rights for any product we recommend along with any other early termination rights and penalties or direct you to the key information documentation provided with the suitability report.
30. Where you cancel a contract so that we must refund any payment to a product provider, we may invoice you for an amount equal to the amount we have had to refund. This will not apply if you cancel the contract in accordance with your rights in the period allowed by the product provider's cooling off notice. The amount recoverable and the timeframe over which it is recoverable are dependent on the product. If we have given you advice on the product, we reserve the right to charge a fee based on the time spent on this advice and this will be calculated on the hourly charging rate of the person who gave you the advice.

#### **Liability for Market Loss**

31. You recognise that, just as investment values may rise, so may they fall and you will not hold this firm liable for any loss (including any consequential loss) suffered through the operation of market forces or through the implementation of reasonable advice given, or decisions taken by this firm in good faith in accordance with the terms of the Agreement between us.

#### **Registration and Custody**

32. Full details of our custodian arrangements are set out in the discretionary management agreement. Where you have invested directly with a third party product provider or platform, your investments will be held in safe custody with their appointed custodian.

#### **Complaints and Compensation**

33. We hope that you will not have cause to complain about our services. However, if you have any complaints about the services provided by this firm, you can write to, email or telephone us. We will deal with your complaint promptly and in accordance with the FCA rules. If we do not deal with your complaint to your satisfaction, you may be able to refer the matter to the Financial Ombudsman Service. We will give you full details of how to do that when we respond to your complaint.
34. We are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. Most types of investment business are covered up to £85,000 per eligible person. Deposits are covered for 100% of the FSCS deposit scheme limit in force, which at present is £85,000 per separately licensed deposit-taking institution. Please note the maximum level of compensation may change from time to time. Please also note the compensation arrangements differ in respect of cash we place on deposit in banks in other protective jurisdictions including the Republic of Ireland.
35. Further information about compensation arrangements is available from the Financial Services Compensation Scheme at: FSCS, 10th floor, Beaufort House, 15 St Botolph Street, London EC3A 7QU, by telephoning: 0800 678 1100 or 020 7741 4100 or visiting: [www.fscs.org.uk](http://www.fscs.org.uk).
36. As an additional protection, we maintain professional indemnity insurance which covers our activities and those of our nominee company.

### Accepting instructions

37. We will accept instructions relating to investment services to be provided to you by letter, telephone, email, fax, other means of electronic communication or in person. We reserve the right to require written confirmation of any instructions and to ask security questions to and/or request certain documents in order to verify identity. Our normal practice is to accept instructions only from you. If you wish to nominate another person from whom we may accept instructions on your behalf, then we must have that nomination in writing. Where this ToB Letter is addressed to more than one person, all addressees must sign to show agreement to the nomination.

### Fees and charges and payment for services

38. Details of our fees and charges including relevant expenses and taxes are set out in our 'About us, our services, advice and costs' document which has been provided to you before any advice or other services are provided. We will deduct such charges as are due having been agreed with you in advance for advice and ongoing services by deduction quarterly in arrears from your discretionary portfolio held with us unless we have agreed an invoice basis for advice fees. We will discuss with you your options in terms of our remuneration and we will not seek payment until we have reached agreement in writing on this.
39. You will be informed of all charges applicable to the advice and services offered in our suitability report. We will not proceed with any advice unless you have requested us to do so. Payment for these services are set out in the 'About us, our services, advice and costs' document.
40. In some limited circumstances (for protection planning business only) we may receive a commission payment from a product provider. Typically, the commission payment will be offset against the charges you owe us for our services. If the commission payment relates to a regular contribution policy and you stop paying premiums on that policy we may be obliged to refund the commission received back to the policy provider. In such cases, we reserve the right to request the full payment of any outstanding balance of charges for our services.
41. Any products we have arranged for you will only be kept under review as part of an ongoing service for which you have agreed to pay.
42. Any changes to our charges will be notified to you in advance in writing.
43. VAT will be added to our charges where applicable.

### Payments and your statutory rights

44. Where our fees or charges are invoiced, rather than deducted from your discretionary portfolio held with us, our invoices are payable within 30 calendar days from the date of our invoice. We reserve the right to charge interest on any amount owing to us after that period.
45. You agree that if you fail to pay any invoice within 30 calendar days, subject to your statutory rights, you will, if we require, reimburse to us any costs we incur in collecting the overdue amount(s), and we need not carry out any further work for you until the outstanding amount(s) have been paid in full.

### Conflicts of Interest

46. A conflict of interest is a situation in which someone in a position of trust has competing professional and/or personal interests. Such competing interests can make it difficult to fulfil their duties impartially. A conflict of interest may exist even if no detriment, to one or more client, results from it.
47. We have established and implemented a Conflicts of Interest Policy, which sets out how we must seek to identify, prevent or manage all material conflicts of interests to ensure fair treatment of our clients. We will, wherever possible, avoid conflicts of interest arising between ourselves and our clients or between one client and another. Where a conflict of interest cannot be avoided, we will manage the conflict and, where appropriate, we will make a disclosure to you and ask for your consent to proceed. In certain cases, we may decline to act for you or decline to carry out a transaction on your behalf.
48. As we do not, as a matter of policy, deal in investments on our own behalf or hold positions in investments, conflicts of interest are unlikely to arise between you and us.

49. Our full Conflicts of Interest Policy is available to you on request or it can be found on our website [www.irwinmitchell.com](http://www.irwinmitchell.com). The policy sets the framework within which we operate and discloses the types of conflict that exist in our day to day business and the steps we have taken to mitigate them.
50. Our Order Execution Policy is applicable to services where we execute or transmit orders on your behalf. The Policy describes the factors we will take into account and the way in which we will deal with your order to avoid, mitigate and manage any potential conflicts and is available upon request or it can be found on our website: [www.irwinmitchell.com](http://www.irwinmitchell.com).
51. IM Asset Management Ltd is the investment manager of four collective investment schemes, also known as 'LF IM Investment Funds'. As investment manager we will receive the fund management charge for these funds, however, where your portfolio holds one or more of these funds the portfolio management fee is waived in respect of these holdings, thus removing any potential conflict that could arise when recommending and investing in those funds.

### **Variation and Termination**

52. We may amend the terms of this Agreement by written notification, or any other terms you have signed with us in order to:
  - 52.1.1. comply with legal, tax or regulatory requirements;
  - 52.1.2. correct any errors, omissions, inaccuracies or ambiguities;
  - 52.1.3. reflect a change in market conditions or the overall cost of providing our services to our clients;
  - 52.1.4. reflect a change in technology to cover a development or change in the services or facilities we provide; or
  - 52.1.5. reflect developments in market practices.
53. We will give you at least 30 days' notice before any amendment takes effect.
54. We may terminate the Agreement by giving you not less than 30 days' notice in writing.
55. You may without prejudice to the completion of transactions already initiated, terminate this ToB Letter, or any other agreement signed with us, at any time by notifying us in writing. On termination of this Agreement by either party, we undertake to deliver your monies, and investments, to you, or to such other person as you may nominate but we reserve the right to charge a handling charge.
56. In the event of your death we will have a duty to continue to safeguard the portfolio assets until duly instructed concerning their disposal by your executor or other lawful representative of your estate. We will be entitled to make a reasonable charge for this service and to recover all reasonable expenses incurred.

### **Limitation of Liability**

57. This clause sets out our entire financial liability to you in respect of:-
  - 57.1.1. any breach of this Agreement by us, our employees, agents or subcontractors;
  - 57.1.2. any use made by you of our services or any part of them; and
  - 57.1.3. any representation, statement or tortious act or omission (including negligence) arising under or in connection with our services or this Agreement.
58. Nothing in this Agreement limits or excludes our liability for:
  - 58.1.1. death or personal injury resulting from negligence; or
  - 58.1.2. any damage or liability incurred by you as a result of wilful default or negligence by us, our employees or our agents; or
  - 58.1.3. any damage or liability incurred by you as a result of fraud or fraudulent misrepresentation by us, our employees or our agents; or



58.1.4. any obligations we have to you as our customer under the FCA rules or regulatory system or the Financial Services and Markets Act 2000. Our liability is capped for any customer complaint processed by the Financial Ombudsman Service, where prevailing limits apply.

59. Subject to clause 57, we shall not be liable for:

59.1.1. loss of profits, loss of use of profits, business, revenue, goodwill; or

59.1.2. loss of or corruption of data or information belonging to you or a third party; or

59.1.3. loss or damage to business or reputation; or

59.1.4. loss or damage arising from your failure to fulfil your responsibilities or any matter under your control or the control of a third party; or

59.1.5. loss or damage arising from us acting in accordance with your instructions or those of your officers, employees, agents or third parties engaged by you; or

59.1.6. any loss (including any indirect loss) suffered through the operation of market forces or through the implementation of reasonable advice given, or decisions taken, by this firm in good faith; or

59.1.7. any loss (including any indirect loss) whereby an investment that we have purchased for you in good faith (or decided not to sell for you) may have declined in value, or an investment that we have sold for you in good faith (or decided not to buy for you) may have risen in value; or

59.1.8. any act, omission or default of any third party, whether or not appointed by us, including (but not limited to) market makers, brokers and custodians, but excluding any third parties we control; or

59.1.9. any special, or indirect loss (including direct or indirect loss of profit), however caused, nor for any loss connected to the timing of a transaction.

60. The amount of our liability for any claim you make in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise arising in connection with the performance, or contemplated performance, of our services will be no more than the value of the transaction or instrument to which the claim relates plus interest at 2% above the Bank of England base rate, starting from when the claim arises up until the point when we pay our liability amount.

### Force Majeure

61. A party shall not be in breach of this Agreement, nor liable for any failure or delay in performance of any obligations, or any interruption of service, under this Agreement arising from or attributable to acts, events, omissions or accidents beyond its reasonable control other than where it has caused it, including but not limited to any of the following (each a **"Force Majeure Event"**):

61.1.1. acts of God, including but not limited to fire, flood, earthquake, windstorm or other natural disaster; or

61.1.2. war threat of or preparation for war, armed conflict, imposition of sanctions, embargo, breaking off of diplomatic relations or similar actions; or

61.1.3. terrorism, terrorist attack, civil war, civil commotion or riots; or

61.1.4. any change in the law or its interpretation prohibiting a party from performing its obligations under this Agreement; or

61.1.5. act of government or state, including political crisis; or

61.1.6. labour disputes of any nature; or

61.1.7. the failure of any relevant stock exchange, clearing house, market counterparty and/or broker to perform its obligations.

62. If a Force Majeure Event prevails for a continuous period of more than six months, either party may terminate this Agreement by giving seven days' written notice to the other party. On the expiry of this notice period, this Agreement will terminate. Such termination shall be without prejudice to the rights of the parties in respect of any breach of this Agreement occurring prior to such termination.



**Severance**

63. If any provision (or part of any provision) of this Agreement, or other Agreements signed with us, is or becomes invalid, illegal or unenforceable, that provision or part-provision shall, to the extent required, be deemed not to form part of the Agreement, and the validity and enforceability of the other provisions of this Agreement shall not be affected.

**Governing Law and Jurisdiction**

64. This Agreement is governed by and shall be construed in accordance with English law and you hereby submit to the exclusive jurisdiction of the English courts.

**Waiver**

65. A failure or delay by a party to exercise any right or remedy provided under this Agreement or by law shall not constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict any further exercise of that or any other right or remedy. No single or partial exercise of any right or remedy provided under this Agreement or by law shall prevent or restrict the further exercise of that or any other right or remedy.

**Signatures and Declaration**

This Agreement sets out the terms under which we'll provide our services to you, so it's important that you read it fully. If there's something you don't understand please ask us to explain it.

I/We confirm that I/we have read and understood these terms of business and agree to enter into a written agreement with IM Asset Management Ltd which is to provide the above services.

First (or sole) signatory:

(if relevant) Second signatory:

Signature

Signature

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Print name

Print name

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Capacity

Capacity

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Date

Date

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