

CHELSEA FINANCIAL SERVICES PLC: EXECUTION-ONLY TERMS AND CONDITIONS OF BUSINESS

Chelsea Financial Services (Chelsea) is authorised and regulated by the Financial Conduct Authority (FCA) to arrange deals in regulated investment products for Retail Clients, and to make arrangements with a view to transactions in such investments – in other words to act as an introducer. These products include ISAs, life assurance, pensions, units and shares in collective investment schemes, VCTs, EISs, Structured Products and investment trusts. It is bound by the rules of the FCA and any subsequent regulatory changes which impact its operations.

The following Terms and Conditions of Business will apply to services supplied to you now and in the future, depending on any specific regulatory changes.

1. **Chelsea does not offer advice** to clients but arranges deals on behalf of clients in certain products on an execution-only or direct offer basis. Chelsea also introduces clients to platform providers, who will then arrange deals as instructed by the client. Platform and product providers are responsible for safeguarding and administering investments, including specific charges to their products. Execution-only and direct offer transactions are carried out on the instructions of the client and Chelsea has not given advice nor exercised any judgement on the client's behalf as to the merits or suitability of the transaction for the client and Chelsea has no intention of providing any advice.
2. For the purposes of your **client categorisation**, and as per the FCA's Retail Distribution Review (RDR directive), that is required by the FCA Rules, Chelsea will treat you as a retail client. Chelsea may also categorise as a retail client any client who would otherwise be a professional client or an eligible counterparty (as defined in the FCA rules). However, if you are such a client, then you may not have rights under the Financial Ombudsman Service or the Financial Services Compensation Scheme. If you are acting as an agent for someone else, Chelsea will treat you alone as its client and you will be liable to Chelsea in respect of transactions you conduct in such capacity.
3. **Chelsea does not handle client money** as defined by the FCA's Client Money rule. Chelsea never accepts a payment made to Chelsea (unless it is a payment to settle charges or disbursements for which the client has received a bill).
4. Chelsea has implemented a **conflicts of interest** policy to ensure fair treatment of its clients under which it will not carry out transactions for clients in the products of companies or business entities in which Chelsea or any director or employee or one of its other clients has a known significant personal interest unless that interest is first disclosed.
5. Written communication or online instructions (including email instructions from an email address which you have provided to us) will normally be required before Chelsea will **act for the client** but oral instructions at Chelsea's discretion will also be acceptable. Authority to act on behalf of the client may be terminated at any time without penalty by either party giving notice in writing or by e-mail to the other. Such termination will not affect the completion of any transaction already initiated on your behalf.
6. Chelsea acts as the client's agent in **arranging investments**, and never owns investments it arranges for them including the funds on the Aegon and Chelsea Platform.
7. All investments will be **registered** in the name of the client(s). Contract notes and documents of title are normally sent direct to the client by the product provider, but if they have been sent to Chelsea, they will be forwarded to the client no later than the first business day following their receipt by Chelsea. However, when a number of contract notes or documents relating to a series of transactions is involved, they may be retained by Chelsea until the series is complete.
8. All application forms, contract notes, cheques, certificates or documents of title may be sent by **post** at the client's risk.
9. Chelsea accepts no liability to clients who purchase **two ISAs** in one fiscal year, or otherwise do not comply with ISA rules.
10. Chelsea may receive **commission** from product providers following arrangement of investments, and this is retained for Chelsea's benefit in accordance with the FCA's RDR rule. The client will receive from the product provider, or from Chelsea, information about the commission that Chelsea receives. Chelsea will inform the client of the amount of commission payable to Chelsea on any investment it has arranged for the client. Chelsea retains the right to share this commission with professional connections at its discretion. As this commission is retained, clients are not charged extra for arranging such contracts except by separate arrangement as agreed in advance with the client. If Chelsea receives a commission or other form of benefit from the issuer of a security or from another intermediary, Chelsea will disclose the amount received and the amount charged to the client in accordance with the RDR rule.
11. Please note that Chelsea may **vary the fees**, commission charges and costs of its services from time to time or introduce a new charge in a clear, fair and transparent way in order to comply with any specific regulatory change impacting business operations. Any change to this agreement will be disclosed and formally communicated to you and will usually take the form of a completed application form, either written or online. However, if the fee or commission charge is part of a restructuring of the charges you are already paying, as a result of regulatory changes, then provided the overall cost to you remains unchanged or is lower, we will notify you in advance but will not require your written consent. Please note that unit cancellation may be used to pay for service charges.
12. Units bought with no initial charge are usually bought at "**Creation Price**", which comprises Bid Price plus Stamp Duty and other charges that Chelsea cannot control or discount. Except for the commission charges, there is the possibility that other costs, including taxes on profits made, may arise for clients and these are not the responsibility of nor paid by Chelsea.
13. Chelsea will supply, on demand, to the client, **copies** of contract notes, tax vouchers, and records for a period of five years from the date of each transaction.
14. Chelsea maintains a **professional indemnity** insurance policy for the protection of clients in the event of negligence by any member or employee of Chelsea, and details of this, including the current limits of indemnity, are available on request.
15. **Discounts and refunds** are paid out of commission. In no circumstances will Chelsea be liable to pay a discount in excess of the initial commission received. Discounts given on investments that do not proceed will be refundable by the client to Chelsea.
16. To **prevent or detect fraud** and Money Laundering activities, or to assist in verifying your identity, Chelsea may make searches at credit reference or fraud prevention agencies or at the electoral register.
17. You should assume that all telephone calls, website use and emails between you and Chelsea will be **recorded**. These recordings will be the sole property of Chelsea and may be used for training purposes or as evidence in the event of a dispute.
18. Chelsea may process any personal data (as defined by the **Data Protection Act 1998**) provided by you in connection with the services provided. Your personal data includes any information which Chelsea holds now or at any time in the future, which comes from, or relates to application forms or other dealings with us; third parties such as credit reference and fraud prevention agencies and the services you receive from Chelsea. We may use your personal data to provide our services to you and for security, payment verification, preventing and detecting money laundering, fraud and other crime, for which purposes we may also pass on your personal data to third parties.
19. If you are unhappy with the service you have received you may wish to make a **complaint**. We have a documented complaints procedure for handling your complaint fairly and promptly, which is available on our website or on request.
20. Chelsea may **vary** these Terms and Conditions from time to time, by one-way notification via a durable medium. An up-to-date copy of Chelsea's in force Terms and Conditions can always be viewed at (www.chelseafs.co.uk)
21. These Terms and Conditions are governed by **English Law** and are subject to the jurisdiction of the English courts. **October 2023**

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