

Supplemental Terms of Business

Introduction

These additional terms of business (the 'Supplemental Terms') are supplemental to the agreement with Cofunds Limited, by which Cofunds Limited (hereinafter 'Aegon') makes the Aegon Platform available to the Firm (the 'Terms of Business'). These Supplemental Terms set out the additional terms and conditions upon which Aegon permits the Firm and/or its Clients to submit business via the Automated Advice Service, provided by the Firm to its Clients, as described in the Schedule to these Supplemental Terms (the 'Automated Advice Service'). The Business which is submitted through the Automated Advice Service (the 'Automated Advice Business') is submitted via an online web-based portal (the 'Personal Finance Portal') owned and configured by the Firm and hosted by Intelliflo Limited the Permitted Software Provider. Expressions defined in the Terms of Business have the same meanings in these Supplemental Terms.

1. Acceptance of the automated advice business

- 1.1 Aegon permits the Firm to submit the Automated Advice Business on the basis set out in these Supplemental Terms.
- 1.2 Aegon will use reasonable endeavours to ensure that it is able to accept the Automated Advice Business at all times. However, being able to accept the Automated Advice Business may not be possible from time to time for example whilst Aegon maintains and/or upgrades its systems. Aegon will use its reasonable endeavours to provide the Permitted Software Provider (who shall inform the Firm) with a notification of planned system downtime, prior to performing any such maintenance and/or of any upgrades.
- 1.3 Aegon reserves the right to update or otherwise improve the way in which it accepts the Automated Advice Business at its sole discretion from time to time.
- 1.4 The Automated Advice Business is submitted to Aegon via the Permitted Software Provider as requested and authorised by the Firm via the Personal Finance Portal which is based on the software provided by the Permitted Software Provider and configured and branded and offered to Clients by the Firm.
- 1.5 In order to submit Automated Advice Business to Aegon, the Firm shall permit Clients (the 'PFP Clients'), at the Firm's sole discretion, access to the Personal Finance Portal. In permitting PFP Clients to use the Personal Finance Portal the Firm shall ensure that:
 - 1.5.1 each PFP Client shall confirm (via the online process within the Personal Finance Portal) that they have agreed to the Firm's terms and conditions;
 - 1.5.2 the advice and services provided by the Firm through the Automated Advice Service are suitable for the PFP Client's requirements; and
 - 1.5.3 any Automated Advice Products (as defined in the Schedule to these Supplemental Terms) bought by PFP Clients or recommended to them through the Automated Advice Service are suitable for the PFP Client's requirements; and
 - 1.5.4 at all times the Firm shall take full regulatory responsibility for the Automated Advice Business which is submitted by PFP Clients, via the Personal Finance Portal, to Aegon.
- 1.6 The Firm hereby authorises Aegon to accept Automated Advice Business via the Personal Finance Portal as if it were submitted from the Firm, and to continue to accept the Automated Advice Business until such time as the Firm notifies Aegon in writing to stop accepting Automated Advice Business in accordance with these Supplemental Terms. The Firm authorises Aegon to act on all instructions submitted as a result of the submission of Automated Advice Business, provided that Aegon, its officers or employees are not guilty of fraud or negligence.

- 1.7 Should any dispute arise between the Permitted Software Provider and the Firm in respect of the submission of the Automated Advice Business, the Firm shall use all reasonable endeavours to resolve such dispute as quickly as possible. For the avoidance of doubt, even if such a dispute is ongoing, Aegon shall continue to accept the Automated Advice Business until it is notified by the Firm in writing to stop doing so. If Aegon reasonably considers that any dispute arising between the Permitted Software Provider and the Firm has or is likely to have a detrimental impact on Aegon, Aegon shall have the right to terminate these Supplemental Terms on 5 days written notice to the Firm.
- 1.8 Both parties acknowledge that the way in which Aegon is able to accept the Automated Advice Business may change:
- 1.8.1 as and when the Permitted Software Provider updates and/or improves the software used to submit the Automated Advice Business; and/or
- 1.8.2 as and when Aegon updates the software used in the provision of the Aegon Platform,
- any such change shall be notified to the Firm by the Permitted Software Provider under and in accordance with the agreement entered into between Aegon and the Permitted Software Provider.
- 1.9 The Firm shall be responsible for ensuring that the individual Intermediary users that it permits to use the Automated Advice Service (the "Users") are a fit and proper person(s) (each User and PFP Client are hereinafter referred to as "PFP Users"). The Firm shall also be responsible for authenticating every PFP Client prior to enabling them to use the Automated Advice Service, to ensure that they are permitted to submit Automated Advice Business via the Personal Finance Portal from time to time. The Firm shall be liable for all acts and omissions of every PFP User including in respect of PFP Users whose permission to use the Automated Advice Service and/or submit Automated Advice Business has been withdrawn or suspended. In particular, the Firm authorises Aegon to act on all submissions of Automated Advice Business placed by PFP Clients via the Automated Advice Business, provided that Aegon, its officers or employees are not guilty of fraud or negligence.
- 1.10 The submission of Automated Advice Business by the Firm shall be governed by the terms of the Terms of Business as supplemented by these Supplemental Terms. For this purpose, permitting the Firm to submit the Automated Advice Business shall be treated in the same way as business submitted via the Aegon Platform (as defined in the Terms of Business). Furthermore, the parties to this agreement acknowledge that any advice provided (whether online or otherwise) to a PFP Client as part of the Automated Advice Business accepted by Aegon is solely the responsibility of the Firm.
2. **Security**
- 2.1 The Firm shall ensure that all its systems and procedures are secure, robust and reliable and the Firm warrants that its systems and procedures, including the Personal Finance Portal will be maintained, secured and operated to a standard appropriate for systems and procedures used to integrate a third party software provider in order to submit Automated Advice Business and to receive the data that is sent in respect of Automated Advice Business. In particular, the Firm shall ensure that all its systems including the Personal Finance Portal are fully and effectively integrated with those of the Permitted Software Provider for the purposes of submitting Automated Advice Business in accordance with these Supplemental Terms in a secure, robust and reliable manner without compromise to the rest of the business submitted under these Supplemental Terms.
- 2.2 The Firm shall be responsible for ensuring that it and the PFP Users shall:
- 2.2.1 store all information concerning PFP User access securely; and
- 2.2.2 inform Aegon immediately upon being aware of any unauthorised use or submission of the Automated Advice Business or any PFP User access information, or immediately upon becoming aware of any other breach of security in respect of the PFP User access information.

- 2.3 In the event that a breach of security in relation to the acceptance of Automated Advice Business and/or PFP User access information takes place, or Aegon in its reasonable opinion believes that such a breach is likely to occur, Aegon may, at its absolute discretion, suspend the acceptance of all or part of the Automated Advice Business (or suspend acceptance of all or part of the Automated Advice Business in relation to particular PFP Users).
- 2.4 The Firm must notify Aegon as soon as possible after becoming aware that there has been a breach of security in respect of the submission of Automated Advice Business, whether from itself, or from a PFP User. Provided that Aegon is duly notified in writing no later than 4pm on any business day, Aegon shall use reasonable endeavours to ensure that, with effect from 6pm of such business day, it shall cease to accept any further Automated Advice Business in respect of any such PFP Users notified to it by the Firm. However, the Firm shall remain responsible for all submissions from PFP Users until such time as such PFP User's submissions are blocked or ought to have been blocked, in accordance with this paragraph.
- 3. Intermediary's additional obligations**
- 3.1 The Firm shall be responsible for ensuring that it has all the necessary computer hardware, software, internet connections and security required to submit and provide the Automated Advice Business via the Personal Finance Portal.
- 3.2 The Firm will fully indemnify and hold Aegon free from and against all losses, damages, claims, costs and expenses (including legal expenses) suffered or incurred by or awarded against Aegon as a result of or in connection with:
- 3.2.1 any breach of regulatory requirements and/or action of the FCA arising in connection with the provision of the Automated Advice Service and/or the Automated Advice Business submitted by the Firm, and in particular in connection with any activities for which they have regulatory responsibility; and/or
- 3.2.2 any act or omission of a PFP User and/or breach of this Agreement caused by a PFP User in relation to the submission of Automated Advice Business; and/or
- 3.2.3 without prejudice to the provisions of clause 1.4, any unclear, invalid or otherwise challengeable instructions submitted by the Firm or PFP User.
- 4. Assistance to aegon**
- 4.1 During the term of the Terms of Business and these Supplemental Terms and for 12 months following the termination of the Terms of Business and these Supplemental Terms, the Firm shall assist Aegon as may be necessary from time to time (in opinion of Aegon) in relation to responding to enquiries and resolving any issues raised by PFP Users and/or the FCA in relation to the Automated Advice Business.
- 5. Charges**
- 5.1 The Firm shall be responsible for charges and fees paid by the Client in respect of:
- 5.1.1 the Automated Advice Business; and
- 5.1.2 any services which are provided by the Firm to support the Automated Advice Business (which are distinct from the services provided under the Terms of Business), and shall provide all relevant disclosures, gain all necessary agreement from the Client in relation to such charges in compliance with all regulatory requirements. For the avoidance of doubt, this includes charges and fees paid via the Automated Advice Service and disclosures made within the Automated Advice Service.
- 5.2 The Firm confirms that the payments made to the Permitted Software Provider in respect of the software and connected services relating to the Automated Advice Business reflect the Firm's assessment of the true market value of the cost of providing software and related services for such Automated Advice Business. For the avoidance of doubt, this clause 5.2 does not apply to any payments which are made in respect of Aegon Platform services provided by Aegon.
- 5.3 The Firm confirms that the fees charged to PFP Clients in respect of Automated Advice Business and connected services reflect the Firm's assessment of the true market value of the cost of providing advice and related services for such Automated Advice Business. For the avoidance of doubt, this clause 5.3 does not apply to any payments which are made in respect of Aegon Platform services provided by Aegon.

6. Termination

- 6.1 Either party to these Supplemental Terms may terminate these Supplemental Terms at any time by giving the other party no less than 1 month's prior written notice.
- 6.2 These Supplemental Terms will terminate automatically if the Terms of Business is terminated by either party or otherwise ceases to have effect.
- 6.3 Aegon shall have the right to terminate these Supplemental Terms with immediate effect if the Firm is in material breach or, in the reasonable opinion of Aegon, is likely to be in material breach of these Supplemental Terms.
- 6.4 The Firm will notify Aegon in writing at least 30 days prior to the termination or expiry of its agreement with the Permitted Software Provider or, in the event that the Firm does not receive sufficient advance notice, it will notify Aegon in writing as soon as possible prior to such termination or expiry. Notwithstanding any notice provided by the Firm to Aegon, these Supplemental Terms will terminate automatically on the date of the termination or expiry of the agreement between the Firm and the Permitted Software Provider.
- 6.5 Termination of these Supplemental Terms (howsoever arising) is without prejudice to the rights, duties and liabilities which either party to these Supplemental Terms has accrued prior to termination and to all provisions of these Supplemental Terms which expressly or impliedly operate or lawfully have effect after termination.
- 6.6 Upon termination of these Supplemental Terms, Aegon shall immediately cease to accept Automated Advice Business from the Personal Finance Portal and all PFP Users.
- 6.7 The Firm shall ensure that all PFP Users, and the Permitted Software Provider are made aware that, as at the date these Supplemental Terms terminate, Aegon will no longer accept the Automated Advice Business.

7. Complaints

- 7.1 The Firm will deal with all complaints from PFP Clients in respect of the Automated Advice Business in a timely manner and in accordance with regulatory requirements and all applicable laws and regulations. Aegon will refer all PFP Client enquiries and requests in respect of Automated Advice Business to the Firm.

- 7.2 The Firm will manage the resolution of the complaint in accordance with Financial Conduct Rules and where reasonably requested by Aegon, will keep Aegon informed of the progress to resolution of the complaint. Aegon will assist with the resolution of the same where in its reasonable opinion it is appropriate to do so.

8. Regulatory responsibilities

- 8.1 Aegon is not responsible for the submissions via the Automated Advice Service and/or the Automated Advice Business complying with regulatory requirements and Aegon does not assess the suitability of the Automated Advice Service and/or the Automated Advice Business for PFP Clients.
- 8.2 Without prejudice to the provisions of clause 1.5, the Firm is responsible for the Automated Advice Service and the Automated Advice Business complying with all regulatory requirements. In particular and without limitation, the Firm is responsible:
 - 8.2.1 for providing all relevant regulatory disclosures to Clients as part of the advice process for Automated Advice Business, including all relevant disclosures relating to the Aegon Platform;
 - 8.2.2 for selecting the investments made available through the Automated Advice Service;
 - 8.2.3 for ensuring that instructions submitted in respect of Automated Advice Business via the Automated Advice Service are complete and correct;
 - 8.2.4 for ensuring that:
 - 8.2.4.1 it has undertaken appropriate due diligence on the Automated Advice Service, including the Automated Advice Business and the submission via the Aegon Platform; and
 - 8.2.4.2 it has assessed that the overall Automated Advice Business proposition is suitable as a proposition for the Firm's business; and
 - 8.2.4.3 the Automated Advice Business and the Personal Finance Portal are suitable for the target market as identified by the Firm.

- 8.3 The Firm agrees that in configuring and running the Automated Advice Service, it will pay due regard to the relative prices of the investments available through the Automated Advice Service, those investments which it has access to via the Aegon Platform and the target market for the Automated Advice Business as defined by the Firm.
- 8.4 The Firm confirms that after due consideration and diligence it considers the Automated Advice Service (and related charges) to be fair and reasonable: (i) as a stand-alone service and (ii) also when provided to Clients in conjunction with its overall service and existing arrangements it has with Clients. Furthermore, the Firm considers that the Automated Advice Service (and related charges) provided by it to its Clients is presented in a way that is clear, fair and not misleading, specifically in relation to the investments provided through the Aegon Platform including those provided through the Automated Advice Service.

9. Third party rights

The parties to these Supplemental Terms do not intend that any provision of these Supplemental Terms will be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person that is not a party to these Supplemental Terms.

10. Supplemental to terms of business

These Supplemental Terms shall have effect together with the Terms of Business. If and to the extent that there is any inconsistency between the Terms of Business and these Supplemental Terms, the terms of these Supplemental Terms shall prevail in so far as any inconsistency relates to the Automated Advice Service.

11. Governing law

- 11.1 These Supplemental Terms shall be governed by and construed in accordance with the laws of England and Wales.

12. Miscellaneous

- 12.1 The waiving of any breach of the terms of these Supplemental Terms by Aegon in any particular case will not prevent the future enforcement of a term or be deemed as a precedent that the same waiver will be applied to future breaches.
- 12.2 In the event that any provision in these Supplemental Terms is declared void, voidable, illegal or otherwise unenforceable by a judicial or other competent authority, the parties agree that any such provision shall be amended in such reasonable manner as achieves the intention of the parties without conflict with the judicial or other competent authority and the enforceability of the remaining provisions shall not be affected.

13. Assignment

- 13.1 These Supplemental Terms are personal to the Firm. The Firm may not assign, sub-license, transfer, charge or part with possession of any rights or obligations under these Supplemental Terms.
- 13.2 Aegon may not assign the benefit of these Supplemental Terms to any other person without the Firm's prior written consent except that Aegon may without such consent assign its rights and obligations in whole or on part to an Affiliate (within the meaning of the Financial Conduct Rules) and may assign its right to receive any fee to any third party.

14. Variation

- 14.1 Aegon reserves the right to change these Supplemental Terms and may do so through publication on the Aegon Platform. Changes will become effective no earlier than 14 days after publication unless legislative and/or regulatory rules require changes to be made in a shorter timeframe.

Schedule

1. Automated advice business

- 1.1 Automated Advice Business comprises:
 - 1.1.1 an Aegon Individual Savings Account ('ISA');
or
 - 1.1.2 an Aegon General Investment Account (as described on the Aegon Platform); or
 - 1.1.3 any other Aegon wrapper as agreed between the Permitted Software Provider and Aegon from time to time,
(together the "Automated Advice Products"); and which is
 - 1.1.4 purchased via the Automated Advice Service branded and used by the Firm and presented to Clients within the Personal Finance Portal.
- 1.2 The software enabling the Automated Advice Service is provided by the Permitted Software Provider.
- 1.3 The Automated Advice Service provides the Automated Advice Products via an online customer journey which is hosted on the Personal Finance Portal by the Permitted Software Provider.
- 1.4 The Automated Advice Service provides access to a restricted investment range as agreed between Firm and the Permitted Software Provider.
- 1.5 The Firm owns the Automated Advice Service presented to online customers for regulatory purposes, in accordance with all applicable laws and regulations and regulatory requirements.



Aegon is a brand name of both Scottish Equitable plc (No. SC144517) registered in Scotland, registered office: Edinburgh Park, Edinburgh EH12 9SE, and Cofunds Limited, Registered in England and Wales No.3965289, registered office: Level 43, The Leadenhall Building, 122 Leadenhall Street, London, EC3V 4AB. Both are Aegon companies. Scottish Equitable plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Cofunds Limited is authorised and regulated by the Financial Conduct Authority. Their Financial Services Register numbers are 165548 and 194734 respectively. © 2018 Aegon UK plc