

Your Service Level Agreement with Cofunds

Legal & General Portfolio Plus SIPP

Legal & General Portfolio Plus Pension

1 Adviser Take-On

- 1.1 For you to gain use of the Cofunds service you must complete the Adviser Data Requirements Form. Without this form being completed a Cofunds Authorisation Code will not be issued; business submitted without a Cofunds Authorisation code will be rejected. In submitting this form to us you accept the Adviser Agreement with Cofunds (the "Agreement") and will be able to place business.
- 1.2 Cofunds will create a unique identity (Authorisation code) for each Representative within five days of receipt of the Adviser Data Requirements Form. Your Authorisation code(s) will be sent to you in your Cofunds Welcome Pack.
- 1.3 The Welcome Pack will contain letters for each Representative, which the Adviser must distribute in order that each Representative may sign and return the Authentication slip (required for security purposes) if details are not included on the Adviser Data Requirements form. The web account will be set up at the same time.
- 1.4 You must provide your FSA authorisation code on the Adviser Data Requirements Form.

2 Adviser Maintenance

- 2.1 In the event that you make a change that affects the static data held by Cofunds, the instruction must be advised in writing, signed by an authorised signatory, on Company headed paper.
- 2.2 In the event of a take-over or merger of, by or with another Adviser, Cofunds records will need to be updated. The Intermediaries will severally inform Cofunds of the merger activity, detailing the new structure for the Firm. The instruction must be sent in writing to Cofunds using the Adviser Data Requirements Form together with an accompanying letter from an authorised signatory, on Company headed paper.
- 2.3 Where any changes have occurred to your authorised status or the types of business you are authorised to conduct it is your responsibility to inform Cofunds in writing within an appropriate timeframe, accompanied by an authorised signature on Company headed paper.

3 Representative Maintenance

- 3.1 You can add Representatives at any time in writing to Cofunds, signed by an authorised signatory. Representatives may be Registered Individuals or other Adviser staff (for example management, administration) who require access to the Cofunds Service.
- 3.2 In the event that you make a change that affects the static data held by Cofunds, the instruction must be advised in writing, signed by an authorised signatory on Company headed paper.
- 3.3 Cofunds will issue the Cofunds Adviser Authorisation Code and request security information for authentication purposes for the new Representative, if not already provided on the Adviser Data Requirements Form.
- 3.4 In the event that a Representative leaves, for example through resignation or retirement, you must instruct Cofunds in writing, with an authorised signature on Company headed paper, and appoint a replacement Representative for their Clients. Access to the Cofunds web site for the Representative will be removed.

4 Quotes Service

Quotes will be available via the Cofunds website or by phoning the contact centre.

5 Introducing a new client to Cofunds

- 5.1 Before Cofunds can take a new client onto its books, you must:
 - (a) Provide the Client with copies of the Cofunds Customer Agreement, Key features and Fund Key Features Schedule and Term Sheet where relevant for Portfolio Plus SIPP or Portfolio Plus Pension.
 - (b) Identify the Client and all associated parties for the purposes of the FSA Money Laundering Regulations and confirm to Cofunds that you have done so by submitting an appropriate AML certificate as detailed by the JMLSG.
 - (c) Submit to Cofunds a completed application, together with an acceptable form of payment. Cofunds will accept the payment in the following forms. Cheques should be made payable to Cofunds Ltd.
 - Personal Client cheque, including joint accounts, drawn on a UK bank account, Building Society cheque with Client's name printed and endorsed by the Building Society
 - Cheque issued from your client money account and endorsed with the client's name where you are authorised to hold client money
 - Cheque issued by a FSA regulated company providing it is appropriately endorsed with the client's name
 - Cofunds reserves the right to refuse any payment where we determine insufficient details have been provided.

6 Money Laundering Requirements

- 6.1 A Money Laundering certificate must be completed for all applicants and associated parties (where relevant) and submitted with the application and with either references that will enable Cofunds to obtain the evidence or certified copies of the evidence obtained. You will be responsible for keeping records of the forms of identification accepted as proof of name and address.
- 6.2 Cofunds reserves the right to complete further money laundering checks where it is deemed necessary.
- 6.3 Further original documentary evidence may be required for overseas clients and/or Pension applications valued at £250,000 or above.
- 6.4 If Cofunds is required but is unable to verify the client and any associated party's identity through electronic checks, we will contact you to request appropriate evidence. Any policies will not be put in force until satisfactory evidence has been received for the pension applicant and any associated parties.
- 6.5 If satisfactory evidence is not obtained within 45 days of receipt of the application form, the application will not proceed and the money will be returned to its original source.

7 Completing and submitting a pension application

- 7.1 Please complete the Adviser details section of the application form in full. The commission style and details of any sacrifice (as per the client's personal illustration) must be entered on the application form to ensure that the appropriate amount of commission is paid.
- 7.2 You may provide your own deal reference number on the application (subject to a maximum of 15 characters), which will be included in your management information files.
- 7.3 You are responsible for ensuring that the application is completed in full and all applicants have signed and dated both declarations, of which one is witnessed. The client must initial any alterations to the application form.
- 7.4 Following receipt by Cofunds of the fully completed application form, payment and or direct debit mandate, the product provider will normally put the pension into force within 4 business days after acceptance. Membership of the scheme will be confirmed within the same timescales and any investment instructions actioned. The timescales for completion will be dependent on the type of assets being purchased.
- 7.5 Increments to a Pension must be made using a Pension application form and must quote the existing policy number.
- 7.6 All applications must be sent to the Cofunds address, as detailed in 23.1. The product provider will issue pension policy documents to your address as stated on the application form. Cancellation rights will be issued direct to your Client.

8 Unacceptable Applications

- 8.1 An application will be forwarded to the product provider by Cofunds on the business day on which it is received but no later than the next business day. Where we are unable to forward the application due to missing or unclear information and, clarification may be obtained by telephone, Cofunds will contact you as soon as is practicable. The application will not be forwarded until satisfactory clarification has been received.
- 8.2 Where the application cannot be accepted (for example, if the Client declaration has not been signed and dated), the application form (and cheque where appropriate) will be returned to you by the end of the following business day of receipt. Should a cheque be banked prior to omissions/errors identified on an application form, Cofunds will return the application to you and hold the monies in a client money bank account upon return of the fully completed application. Cofunds is unable to provide you with prior notification of the rejection.

9 Regular Contributions

- 9.1 All instructions to start, change or re-direct regular contributions should be sent to Cofunds. A direct debit mandate must be completed by the Client.
- 9.2 Regular contributions can be started, stopped or varied at any time subject to signed instructions from the Client. Confirmation of the changes will be sent to your client.

10 Dealing in Unit Trusts/OEICS available on the Cofunds platform

- 10.1 All unit trusts and OEICS available on the Cofunds platform are eligible for investment in the self-invested element of the Pension. All instructions to buy, sell or switch units/shares should be completed on the appropriate pension investment instruction forms and sent to Cofunds. The instructions will be passed to the product provider who will subsequently instruct Cofunds to place the deals. Cofunds will only act upon instructions given by the product provider. Any commission arising will be paid to you in line with our normal Collectives commission payment process.
- 10.2 Monies held in the Cofunds Trading Account (for Portfolio Plus Self Invested Personal Pension) can be used to place deals in unit trusts and OEICS available on the Cofunds platform.
- 10.3 The units/shares will be registered in the name of the pension trustees, designated with your client's Cofunds reference.
- 10.4 You will receive a copy of the confirmation note from Cofunds after the deal has been placed. Your client will receive the original confirmation note once the deal has been placed.

11 Switches

- 11.1 Instructions to switch between insured funds in the pension can be made online from the Cofunds website or by making a paper submission. Instructions to switch will be forwarded by Cofunds to the product provider subject to receipt of clear instructions and, in the case of paper submissions, signed by the Member.
- 11.2 Confirmation of the switch will be issued to your client.

12 Pension Transfers

- 12.1 All pension transfer requests are to be sent to Cofunds on the appropriate forms. Following receipt, an acknowledgement will be issued to you and the transfer initiated. Further information may be required by the product provider in order to progress the transfer.
- 12.2 Due to the length of time required for pension transfers, Cofunds will only action transfer chasing calls after twenty one days.
- 12.3 Once the transfer is complete you will receive, on behalf of your client the relevant policy schedules.

13 Income Withdrawal

- 13.1 For the Portfolio Plus SIPP income withdrawal may be taken when the pension is established, or at a later date. For the Portfolio Plus Pension income withdrawal cannot be taken at outset but an option which allows self investment and income withdrawal may be exercised at a later date.
- 13.2 Cancellation documentation will be issued when income withdrawal is set up.

14 Cancellation Rights

- 14.1 Your client will have their right to cancel the pension if they exercise the right within 30 days of receipt of the cancellation notice. The Key features of the pension explain the cancellation process. A cancellation notice will be forwarded directly to your Client's address as required in the Financial Services Authority's Conduct of Business Sourcebook, Chapter 6, Section 6.7 Cancellation and withdrawals.
- 14.2 If your client does not wish to proceed with the pension, the cancellation form should be sent to Cofunds within 30 days of receipt.
- 14.3 Cancellation notices received after the 30-day period may not be accepted. In this situation the pension remains invested until your client takes their retirement benefits.
- 14.4 Payment of cancellation monies will be made to the source of the funds and may be delayed until we have confirmation that the client's cheque for the pension contribution has been cleared. The Client will bear any loss resulting from market fluctuations.
- 14.5 Commission payments may have already been made to the Adviser. Where the Client cancels their application, the commission is clawed back. This is covered in greater detail in the Commissions section.

15 Retirement

- 15.1 The product provider will send you a retirement quotation two to four months prior to your Client's retirement date. The retirement options should be forwarded to Cofunds.

16 Death of a Client

- 16.1 You are responsible for notifying Cofunds of the death of your Client immediately it is made known to you. Notification should be given in writing. Where Cofunds becomes aware of the death of a Client via a third party source, you will be notified in writing.
- 16.2 You or the Personal Representatives are responsible for forwarding the satisfactory proof of death, which should be in the form of an original death certificate.

17 Client Maintenance

- 17.1 You are responsible for notifying Cofunds in writing of any change to the Client's details and circumstances. Such notification should be given as soon as possible after you become aware of the relevant change. Following notification of a change with appropriate documentation Cofunds will amend the Client's records and confirm the same to you and your Client in writing.
- 17.2 Cofunds will record any changes, subject to receipt of appropriate documentation.
- 17.3 You are responsible for notifying Cofunds of any wish by a Client to change his or her bank account. Such notification must be in writing.
- 17.4 In the event that the Client's address is found to be incorrect Cofunds will not accept any further instructions until confirmation of the correct address is received. You will be responsible in this event for obtaining the Client's new address and confirming with Cofunds that our records are correct.

18 Change of Nominated Adviser

- 18.1 Cofunds will only deal with Clients through an Adviser.
- 18.2 If a Client wishes to change their Adviser they must instruct Cofunds in writing via their new Adviser, who must be registered with Cofunds. Cofunds will inform the former Adviser of the change.
- 18.3 If an adviser is not registered with Cofunds and an existing Cofunds client wishes to move their Pension from the Cofunds platform, they will be required to contact us for available options as well as register with the product provider.

19 Commission

- 19.1 A range of pension commission styles is available for the insured element of the pension. Adviser fees may be taken in the self-invested arrangement. Any fee payments are made directly by the product provider.
- 19.2 Initial commission will be accrued daily and paid to you weekly by Cofunds.
- 19.3 Where the Client has chosen to exercise their cancellation rights, transfer out (depending on the commission style chosen) surrender within the indemnity period, or a forced sale has been effected, the initial commission paid will be clawed back. Where a debtor position occurs, action may be taken to recover the commission amount.
- 19.4 Renewal commission will be accrued daily and paid to you monthly on all appropriate holdings. For the Legal & General Portfolio Bond and Pension the payment amount will be calculated on the monthly anniversary date of each policy in effect. For Collective investments the payment amount will be calculated at the end of each calendar month across all holdings. Clients may change Intermediaries during the life of their Cofunds investment. The new Adviser will receive trail commission for Collective Investments from the date the change became effective. For Legal & General Portfolio Bond and Pensions the new Adviser will receive trail commission on the next monthly anniversary of the policy following the date the change became effective.
- 19.5 Cofunds reserves the right to claw back renewal commission if it has been paid incorrectly to an Adviser.
- 19.6 Cofunds will arrange to pay commission weekly in arrears to the Adviser Firm via BACS. A single weekly payment will be made in respect of the commission earned in relation to Legal & General Portfolio Bond and Pensions with initial and renewal commission consolidated. Separate payments will be issued for weekly initial commission and monthly trail commission due on Collective investments.
- 19.7 You will receive your payments on the same day each week.
- 19.8 Cofunds will issue a weekly combined commission statement, which will detail a breakdown of commission information relating to all commission payments issued to the adviser firm in that particular week.

20 Client Servicing and Reporting

- 20.1 Cofunds will only provide information to you in respect of Clients where you are the Nominated Adviser.
- 20.2 Information on your Client investments is available on request from the Service Centre by phone.
- The response may be verbal or in writing. On a half yearly basis, statements detailing the activity during the last period and valuations will be forwarded to your Client.
- 20.3 Policy information will be sent to your clients as detailed in the relevant sections of this SLA.
- 20.4 Statements detailing the activity and valuations of the pension will be issued at least annually to your client.

21 Cofunds Service Centre

- 21.1 Cofunds provide a Service Centre, offering a single point of contact for the Intermediaries. The telephone number for the Adviser Services Contact Centre is 0845 604 4001. A telephone service will be available from 9:00 am to 5:30pm Monday to Friday. Cofunds does not offer this facility to end Clients and will in the first instance redirect the Client back to the Adviser. Calls to this number may be recorded.

22 Complaints Process

- 22.1 Cofunds will deal with complaints from you on behalf of your Client either in writing to Cofunds or verbally via the Service Desk. All complaints received by Cofunds are acknowledged within five business days of receipt and handled within the Complaint Handling procedures as detailed by FSA DISP 1.4 either by Cofunds or the product provider.
- 22.2 Cofunds will normally refer all Client enquiries and requests to the Adviser. However, Cofunds will deal with complaints direct from Clients. In such cases Cofunds will provide you with copy Correspondence.
- 22.3 Cofunds will ensure that all clients are not financially disadvantaged by Cofunds errors. Cofunds will not compensate Intermediaries for any inconvenience.
- 22.3 Adviser Service related complaints will be handled by the Cofunds Complaints Department.
- 22.4 Complaints received regarding fund performance or fund selection will be directed to the relevant FSA authorised firm. Cofunds will not take responsibility of this type of complaint.

23 Contacts

- 23.1 Communications should be directed to the following points in Cofunds:

All correspondence including applications, instructions and account maintenance for clients, complaints and Intermediaries and requests for literature.

Cofunds Limited
PO Box 1103
Chelmsford CM99 2XY

Telephone: 0845 604 4001

The Cofunds website is www.cofunds.co.uk

