

Important document - Please read

At Ethical Futures we believe in openness and transparency. Therefore, we are providing you with full information and details about our business, regulatory status, advice permissions and professional standing.

As well as confirming it in this document, we have provided full details about financial services protections available on financial products that we may recommend and also details about who to consult if you have a complaint or need for redress.

We realise that this is the “small print” that many people just skim over, so we have highlighted below, where to find some of the key issues that clients ask about. This is an important document and we will ask you to confirm that you have received it when you sign our **Letter of Engagement**.

Please read these terms and conditions together with the following documents:

- **About our Services & Costs** - Information about our services and costs
- **Privacy Statement**

Who owns Ethical Futures?	We are an independently owned business. See page 2, points 1 & 2.
Are you regulated?	We are authorised and regulated by the FCA. See page 2, points 2, 5 & 6
Are you independent?	Yes, we are an independent business and are not tied to a restricted range of providers, products or services. See page 2 points 1, 3 & 7.
What services do you provide?	We provide planning and advice services and can arrange a wide range of financial products. See page 2, points 5, 6 & 7 and page 4 point 13. See also our separate About our Services & Costs document.
Am I protected if an investment company goes bust?	In most cases, yes – but there are exceptions. See page 2 point 7 and page 5 point 17
Are there limits to your advice?	Some - we only advise where we feel we have the relevant expertise and regulatory permission. See page 2 point 4 & 7. If we can't help you, we may be able to introduce you to someone who can.
How much will your advice cost?	That depends on the advice required. For full information, see our separate document – About our Services and Costs .
How do I pay you?	See page 3 point 8 and page 4 point 13.
What will you use my personal information for?	We treat this information with great care and respect your privacy at all times see page 5 point 19.
What if I'm unhappy with your service?	We aim to please but if you have a complaint do let us know. See page 4 point 15 and page 5 point 16 for full details.

About Regulation & Protection Terms and Conditions of Business

Commencement of the client agreement

These terms and conditions will commence on the date of receipt.

1. Ownership and structure

Ethical Futures llp is an independent business, owned as a limited liability partnership by Julian Parrott and Martin Wight. The business is registered in Scotland no: S0300638. Please see our Companies' House registration for further details.

2. Regulation & status

Ethical Futures llp of 9 Mansfield Place, Edinburgh EH3 6NB is authorised and regulated by the Financial Conduct Authority (FCA). Our FCA Number is 552583. You can check this by going to the FCA Register at www.fca.org.uk/register or by contacting the FCA directly on 0800 111 6768.

3. Client category

It is a requirement of the Financial Conduct Authority that all clients are categorised into one of three categories (Retail, Professional or Eligible Counterpart). We have categorised you as a 'Retail Client'. You have the right however to request a different categorisation if you wish. Please note that 'Professional Clients' and 'Eligible Counterparts' may receive a lower level of consumer protection.

4. Financial Objectives (Demands & Needs)

Following the issue of these terms and conditions and subject to your signing our **Letter of Engagement**, any subsequent advice or recommendation offered to you will be based on your stated objectives, your agreed attitude to investment risk and any restrictions you wish to place on the scope of advice.

Details of your stated objectives will be included in a suitability report that will explain and confirm the basis of our recommendations and point out any key risks and disadvantages.

Where business is transacted on a non-advised or execution-only basis (directly on your instructions whereby you will not have requested nor received any advice), or on a limited advice basis (the firm's recommendations were limited by the fact that not all relevant information was made available or because you requested that we limit our advice to a particular area of financial planning), we will make it clear to you in any subsequent correspondence.

5. Services and products regulated by the FCA

We provide independent advice on packaged retail investment and insurance products only. These include but are not limited to pensions, investment bonds, units, annuities, ISAs, savings plans, whole of life insurance, investment insurance and non-investment insurance products such as life assurance, critical illness protection, income protection.

6. Ethical & Sustainable Investment – Focussed Advice

We only recommend products that meet ethical, sustainable and socially responsible criteria. Otherwise, our recommendations will be based on an assessment of a sufficient range of relevant products that are sufficiently diversified in terms of type and provider to ensure your ethical investment objectives can be suitably met.

7. Services and products not regulated by the FCA

Some of the products and services we provide are not currently regulated by the FCA and include, but are not limited to arranging and advising on bank and building society deposits, some offshore schemes and investments. Except for deposits, because advice given on these products is not regulated by the FCA, you may not have any rights to financial redress under the Financial Ombudsman Service or Financial Services Compensation Scheme with regard to any future disputes.

8. Payment for Services

Before we proceed with any service that will require you to agree to pay us a fee, we will detail the fee due as accurately as possible, and tell you when the fees are payable. Once we have agreed a fee for any work or service we will ask you to sign our **Letter of Engagement** to confirm your understanding of the fees that will be charged, how those fees will be paid and what cancellation rights you have.

We charge our clients for our professional services which include initial engagement, research & analysis, advice, implementation and (optionally) review services. Our fees are based upon the time required to provide the advice and service to you, as well as the level of expertise and responsibility involved. However, we will generally charge on the basis of fixed 'project fees' rather than an hourly rate. Further information is detailed in the document '**About our Services and Costs**'.

VAT

The majority of our services are not subject to VAT. However, where we provide you with a pure advisory and consultancy service, which does not include us intermediating in the implementation of a financial product, VAT may be chargeable in addition to our fee at the rate prevailing at the time the fees are charged. VAT may also be chargeable where we introduce you to a discretionary investment service.

We will inform you if VAT will apply.

For more information about fees, please refer to the '**About our Services and Costs**' document, highlighted in the 'Important Documentation' box on page 1.

9. Registration of investment / retention of policy documents

Where we arrange an investment, we will register these in your name unless otherwise agreed in writing. All contract notes and documents of title in respect of your investment will be forwarded to you, unless otherwise instructed in writing, as soon as practicable after being received by us. Where a number of documents relating to a series of transactions are involved, we will normally retain the documents until the series is complete and then forward them to you.

10. Client Instruction

We prefer that any instructions be given in writing. If any advice or instructions are given orally, then they must be confirmed in writing to avoid possible disputes. Similarly, if we receive an instruction by email, we will seek to follow this up with verbal confirmation. For security reasons, we will not accept emails for investment, withdrawal or change of address/contact instructions.

If you implement a transaction directly with a provider or instruct us to do so on your behalf on an Execution Only basis, without taking advice, you may not be protected by the Financial Ombudsman Service or the Financial Services Compensation Scheme. Execution Only business will be confirmed as such and you may be asked to confirm that no advice has been sought or provided.

We may refuse at our discretion to accept certain instructions, although such discretion will not be exercised unreasonably. When we have arranged any transactions on your behalf, we will not give you any further advice or service unless you have specifically agreed to an on-going service for which we will be remunerated as detailed in our **Letter of Engagement**.

11. Conflict of interest & material interest

A summary of our conflicts of interest policy is shown below. A copy of our conflict of interest policy is available for inspection upon request.

About Regulation & Protection Terms and Conditions of Business

We take all appropriate steps to identify, prevent, and manage conflicts of interest, by:

- Identifying and preventing any potential circumstances which may give rise to a conflict of interest, and which pose a risk of damage to clients' interests;
- Establishing and maintaining appropriate mechanisms and systems to manage those conflicts; and
- Maintaining systems at all times in an effort to prevent actual damage to clients' interests through the identified conflicts.

Where we identify specific conflicts of interest, we take appropriate and proportionate measures in an effort to prevent, monitor, manage and control the potential impact of those conflicts on our clients.

Where we are not reasonably confident that we can prevent a conflict of interest presenting a risk to your interests, we will, as a last resort, disclose the nature and detail of the conflict to you clearly and in writing and either:

- obtain your consent to proceed; or
- decline to act for you.

12. Verification of identity

As part of our regulatory duties, we are obliged to verify as a minimum, the identity, place of residence, source of funds and source of wealth of each client. This process may require sight of certain documentation. We are unable to forward any applications or money to third parties/product providers until our verification requirements have been met. We take no responsibility for any delay in investing where identity verification is outstanding. In circumstances where sufficient verification is not received in a timely manner after we have received completed applications, the application(s) and any monies may be returned to you uninvested. Please note that verification may include the use of online resources such as online databases, the electoral roll and His Majesty's Treasury's financial sanctions lists.

13. Receiving payments from clients

Ethical Futures does not handle client monies. We never handle cash or accept a cheque made payable to us unless it is a cheque in settlement of our fees in accordance with a signed **Letter of Engagement**. Fees may also be paid to us by bank transfer.

Crossed cheques for investments should only be made payable directly to the investment company and to the relevant third party for any ancillary fees. If making an investment by way of a bank transfer, it is the responsibility of the client to ensure that they have the correct payment details and references.

Our advisers will never ask you to make payments to them directly. You should decline to give money, bank transfer or write cheques payable personally, to an individual adviser. Any receipt by them personally of such a payment from you will not be regarded by us as being a transaction for which we will have any responsibility.

14. Risk Warnings

We will act in your best interest when making recommendations. While we will always endeavour to recommend suitable solutions, most recommendations carry some degree of risk. Such risks could be circumstantial, for example your ability to afford the recommendation, or product related, such as the risk that the value of investments can fall. We will discuss the most relevant risks with you. They will also be documented in the suitability report and in product literature, so that you are well informed before making a decision to proceed. Please ensure that you fully understand all such risks – ask us if you need more information or clarification.

15. Complaints Procedure

We endeavour to provide the highest standards of service. However, in the event that you should have a complaint, the firm maintains an internal written complaints procedure. An information leaflet summarising this process is available on request.

About Regulation & Protection Terms and Conditions of Business

If you have a complaint (whether oral or written) about the firm or a service it has provided then this should first be directed to our Compliance Officer (Julian Parrott) at our office address. We promise to deal with your complaint in a fair and objective manner. If you are still unhappy with the outcome you will have the right to take any eligible complaint to the Financial Ombudsman Service and details of how to do so will be provided at this stage. The compensation limits and access rights you may have to the Financial Ombudsman Service www.financial-ombudsman.org.uk.

16. Redress

We are covered by the Financial Services Compensation Scheme (FSCS). If you make a valid claim against the company in respect of the advice provided and we are unable to meet our liabilities in full, you may be entitled to redress.

Compensation limits are complicated and the amount of redress available will depend on the type of business, circumstances and date of the claim. Generally, the following limits apply:

- Investments: Most types of investment business are covered up to a maximum limit of £85,000.
- Insurance: Insurance advising and arranging is covered for 90% of the claim, without any upper limit.

Where it is appropriate to do so, we may recommend products or funds that are not based in the UK. In the event that the providers of such funds are unable to meet their obligations, these are not covered by the FSCS compensation arrangements. If the product or fund is based in the European Economic Area (EEA), you may be covered by the local investor compensation scheme. We will make you aware if our recommendation includes such products or funds.

Further information about the compensation scheme arrangements is available from the FSCS: www.fscs.org.uk/consumer.

17. Termination of your agreement with us

The information contained in this and other disclosure documents remains valid unless and until superseded by a later version. All agreements, including any fee agreement, remain in force until cancelled by you or us. Legal Governance of any agreement is governed by and shall be construed in accordance with Scottish Law and the parties shall submit to the exclusive jurisdiction of the Scottish Courts.

Please refer to our **About our Services and Cost** document and **Letter of Engagement** for information about your cancellation rights.

18. Product cancellation

After being put in place, most financial products will carry a right to cancel for a short period, typically 14 days for most investments and 30 days for pensions and insurances. Please refer to the specific product literature for more information.

19. Privacy policy, record keeping & Data Protection

Ethical Futures operates in the financial services sector where data handling and confidentiality are key issues. All the information we collect will be treated with the utmost confidentiality.

So that we may fully understand your circumstances and requirements, we will need to collect information about you, which we will hold as a Data Controller under the Data Protection Act 2018 (DPA 2018). We will use this information to analyse your current and future financial needs so that we can ensure that any subsequent advice is suitable to your particular circumstances.

We gather this information as part of our contractual and legitimate requirements. Where sensitive data is obtained, we will seek separate consent to obtain and retain this. For further details please refer to our Privacy Statement.

About Regulation & Protection Terms and Conditions of Business

Services & Marketing Communications

With your permission, we may seek to keep in touch with you by post, email and telephone to inform you about developments that may be relevant and to deliver monitoring services, updates and fund alerts. We shall seek your authority for such communications.

We do not sell your data to third parties for marketing purposes.

20. Additional information requirements: distance communications

Where you are likely to do business with us at a distance where we communicate exclusively by telephone, email, video conferencing (such as Zoom or Teams) or post, then it is very important that you read the following points in addition to those above.

- The firm will provide you with a service as detailed in these terms and conditions, the **About Our Services and Costs** document and **Letter of Engagement**.
- The total price that we charge for our services is set out in our **Letter of Engagement** which you must sign prior to our undertaking any service on your behalf. Please ask us if you are unsure as to any aspect of our pricing. There will be other charges and expenses imposed by the providers of insurance and investment products which will be detailed separately.
- Please note there is the possibility that other taxes or costs may exist that are not paid through the firm or imposed by it.
- There are no specific additional costs imposed by the firm for dealing exclusively at a distance.
- You should note that some of our recommendations may involve investments that can fluctuate in value, for example depending on financial markets. These fluctuations will be outside of our control and you should therefore consider carefully potential fluctuations before entering into this type of contract.
- Please take care to read the warnings issued in this document and any provider literature. If you are unsure then please ask us to explain in more detail.
- The firm does not place any specific limitations on the period for which the information provided remains valid. If you are unsure if something still remains valid then please ask and we will clarify.
- The provisions of any contractual agreement to provide an ancillary advisory service and the relationship created by it shall be governed by the Scottish Law and subject to the exclusive jurisdiction of the Scottish courts.
- Any such contract is supplied in English Language and will be communicated in English Language.
- Where it applies and relating specifically to any contractual agreement with the firm to provide an ancillary advisory service to you there will be a right to cancel our fee. This right to cancel will be detailed in the **Letter of Engagement**. In the event of any dispute, unless there is clear written evidence to the contrary, we will treat the date cited for cancellation as being the date when notice was given, posted or otherwise sent. If you do not exercise your right to cancel then the fee we charge cannot be returned at some later date.
- Also, any cancellation provisions relating to a particular investment or insurance product are integral to the provider's product and where they apply will be detailed separately in the provider's literature.