CLIENT INVESTMENT AND CASH PROTECTION AND COMPENSATION

Scottish Widows Platform

The Scottish Widows Platform is owned and operated by Embark Investment Services Limited ("EISL"). EISL is authorised and regulated by the Financial Conduct Authority ("FCA"). Its regulated activity is restricted to custodian services involving the maintenance of the registers detailing client holdings, the execution of client/adviser instructions to buy and sell assets and the provision of tax wrappers. For these reasons and given the execution only and custodial nature of its business, EISL makes no guarantees in relation to the performance of investments.

EISL's nominee company, Embark Investment Services Nominees Limited ("Embark Nominees") holds the legal title to investments in each of the following five products, the Scottish Widows Personal Pension, the Scottish Widows ISA, the Scottish Widows Junior ISA (JISA), the Scottish Widows General Investment Account (GIA) and the Scottish Widows Third Party Investment Account (TPIA).

The following information as applicable applies to all investments and cash held in each of these five tax wrappers.

Client money is held with banks which are authorised by the Prudential Regulation Authority ("PRA") and regulated by the FCA, which are covered by the Financial Services Compensation Scheme (the "FSCS"). Client money is held completely separately from corporate money. The arrangements ensure that there is a clear and distinct separation of the money and assets relating to Scottish Widows platform clients and those that are EISL's own business assets. On occasion, your cash may be held in a Transaction Account with a Trusted Third Party.

If EISL or one of its group companies should fail, the segregation of client assets from company assets means that all clients' assets could be transferred back to clients or to a third party provider as appropriate. However, while EISL holds regulatory capital so it can cover administrator costs if it stops trading, in the event an appointed administrator cannot recover its fees from the company's assets it is legally allowed to do so from client assets instead.

Although the failure of an Embark Group company is unlikely, a UK government compensation scheme may be of assistance to clients in the unlikely event of the failure of an EISL Group company or in the unlikely event an administrator has deducted its costs from clients assets.

The FSCS is the UK's compensation fund of last resort for customers of authorised financial services firms, such as EISL. If a firm is in default or ceases trading the FSCS may be able to pay compensation to its customers.

The FSCS is independent of the government and the financial industry, and was set up under the Financial Services and Markets Act 2000. The costs of the scheme are covered by the financial services industry. There is no charge to individual clients for using this service.

The limits for the types of protected business relevant to the Scottish Widows Platform are described below. When a client has two or more claims relating to the same type of protected business with a single firm, the relevant FSCS compensation limit applies to the aggregate value of those claims, rather than to each claim separately. Joint owners of investment assets can each separately claim compensation up to their individual limit from the FSCS, for their share of the product value.



When might compensation be available?

The Failure Of EISL Or Embark Nominees

Clients may be eligible to compensation if EISL, subject to the rules of the FCA and PRA, was determined to be "in default" (i.e. unable, or likely to be unable, to pay its debts when they fall due).

The maximum amounts of compensation payable are set out in the table below:

Investment	Compensation
For all Investments held in the Scottish Widows GIA, the Scottish Widows ISA, the Scottish Widows JISA, the Scottish Widows TPIA and the Scottish Widows Personal Pension	Maximum amount of £85,000 per claim
For all cash held in the Scottish Widows GIA, the Scottish Widows ISA, the Scottish Widows JISA, the Scottish Widows TPIA and the Scottish Widows Personal Pension for investment business purposes (i.e. cash held which is pending investment)	Maximum amount of £85,000 per claim
For all cash held in stocks and shares ISAs which is not held for investment business purposes	No compensation (see note below)

Note: A claim to the FSCS should not be required if EISL or Embark Nominees is in default because the custodian arrangements, the Client Assets Sourcebook (CASS) rules and trust law are designed to return cash and other assets.

The Failure Of Banks

EISL is required to treat all client money received by it from a client in accordance with the CASS rules.

Our policy is to hold client money that is subject to the CASS rules with a bank authorised by the PRA and regulated by the FCA in client bank accounts that comply with all the relevant regulatory requirements for such accounts.

Should this bank fail and not be able to return deposits then where a claim could be made to the FSCS by us on a client's behalf, a limit of £85,000 would apply per client.

The maximum compensation available is summarised in the table below:

Cash Deposit Type	Compensation
Cash	Maximum amount of £85,000 per claim
Cash held in a personal pension	Maximum amount of £85,000 per claim
Temporary high balance from certain specified events (such as proceeds from the sale of a property or personal injury compensation)	Maximum amount of £1 million per claim

Failure Of An Underlying Investment

In the event an investment within your Scottish Widows account fails, you may be eligible for up to £85,000 compensation depending on whether the product or asset is covered by the FSCS. A fund manager is required to appoint a depository and custodian. One of the primary functions of the custodian is the safekeeping of securities and cash in deposit accounts, held in the name of the depository. This has the effect of segregating the funds from the fund managers own monies following the same principles we follow with our segregation arrangements described above and this effectively protects clients' investments should the fund manager become insolvent.

For more information please visit the FSCS website at www.fscs.org.uk.

This document is intended for general guidance and for use by professional advisers only.

The services described in this document are generally only available for distribution to the public in the UK. This information is not a substitute for detailed advice in specific circumstances and is subject to change without notice.





