

keyfacts[®] about our services and costs

 **BANK OF SCOTLAND**

The Mound
Edinburgh
EH1 1YZ

1 The Financial Conduct Authority (FCA)

The FCA is the independent watchdog that regulates financial services. This document is designed by the FCA to be given to consumers considering buying certain financial products. You need to read this important document. It explains the service you are being offered and how you will pay for it.

2 Which service will we provide you with?

- Independent advice - We will advise and make a recommendation for you after we have assessed your needs. Our recommendation will be based on a comprehensive and fair analysis of the market.
- Restricted advice - We will advise and make a recommendation for you after we have assessed your needs, but we only offer advice on limited types of products, or products from one company or a limited number of companies.
- No advice - You will not receive advice or a recommendation from us. We may ask some questions to narrow down the selection of products that we will provide details on. You will then need to make your own choice about how to proceed. The product we offer is;
- Bank of Scotland Junior Stocks and Shares ISA (Junior ISA), provided by Halifax Share Dealing Limited with funds managed by Scottish Widows Unit Trust Managers Limited.

3 What will you have to pay us for our services?

If you buy a financial product, we receive a payment for the sale from the fund provider. Although you pay nothing up front, that does not mean our service is free. You still pay us indirectly through fund charges. Fund charges pay for the fund provider's own costs. These charges reduce the amount left for investment. You can buy the Junior ISA on a direct basis only. The payments we receive will vary depending on how much you invest and how long you continue making contributions to the Junior ISA.

If you invest a single lump sum into the Junior ISA, Scottish Widows will provide Bank of Scotland with a payment and services valued at 0.2% of the contribution. Based on the maximum single contribution of £3,720 in tax year 2013/14, this would be £7.44.

If you invest a monthly contribution into the Junior ISA, Scottish Widows will provide Bank of Scotland with payment and services valued at 0.2% of the contributions. Based on the maximum annual contributions, which total £3,720 in tax year 2013/14, this would be £7.44 per year for as long as you continue to make monthly contributions into the Junior ISA.

4 Who regulates us?

Bank of Scotland plc, Registered Office: The Mound Edinburgh EH1 1YZ is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Our Financial Services Register number is 169628.

Halifax Share Dealing Limited. Registered in England and Wales no. 3195646. Registered Office: Trinity Road, Halifax, West Yorkshire, HX1 2RG. Authorised and regulated by the Financial Conduct Authority under registration number 183332. A Member of the London Stock Exchange and an HM Revenue & Customs Approved ISA Manager.

Our permitted business is arranging investments. You can check this on the Financial Services Register by visiting the FCA's website www.fca.org.uk/firms/systems-reporting/register or by contacting the FCA on **0800 111 6768**.

5 Ownership

Bank of Scotland plc, Halifax Share Dealing Limited and Scottish Widows Unit Trust Managers Limited are wholly owned subsidiaries of Lloyds Banking Group plc.

6 What to do if you have a complaint

If you wish to register a complaint, please contact us:

- in writing: Bank of Scotland Share Dealing, Lovell Park Road, Leeds, LS1 1NS.
- by phone: 0345 606 11 88.

If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service.

7 Are we covered by the Financial Services Compensation Scheme (FSCS)?

Eligible deposits with us are protected by the Financial Services Compensation Scheme. We are covered by the Financial Ombudsman Service. You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim.

Most types of investment business are covered up to a maximum of £50,000.

For further information about the compensation provided by the FSCS (including the amounts covered and eligibility to claim) please ask at your local branch, refer to the FSCS website www.FSCS.org.uk or call the FSCS on 0800 678 1100 or 0207 741 4100. **Please note only compensation related queries should be directed to the FSCS.**

Additional Information

- We classify you as a retail customer. This classification provides you with the highest level of protection under the FCA regulations. We do not offer the option for you to be treated as any other customer definition.
- We have a policy that identifies conflicts of interest which may arise and explains how we manage them. The policy aims to ensure that our customers are treated fairly and do not incur any material risk or damage to their interests, and includes:
 - Organisational arrangements to prevent the flow of confidential information;
 - Procedures to prevent the giving or acceptance of inappropriate gifts or hospitality;
 - A requirement to ensure any monetary and non-monetary arrangements between ourselves and any third parties are designed to benefit the customer;
 - Arrangements for identifying and dealing with any conflicts which may arise between the personal interests of our employees and our clients.

Further details of our conflicts of interest policy are available on request.

- We will communicate with you in writing, via telephone, via e-mail, or in person, but only if you have given us prior permission to do so.

Order Execution Policy

When executing orders in shares in collective investment schemes the most important factors that we take into account are the price and costs (total consideration). However, in certain circumstances we may also have to take into account other factors such as speed, likelihood of execution and settlement, size or any other considerations that are deemed relevant for the purposes of dealing with your order.

We will execute orders relating to shares in collective investment schemes directly with the fund provider. This ensures timely settlement with full disclosure of price and any associated cost and the best possible result for you. In regulatory terms, this means that the relevant fund provider is the only execution venue we use, and consequently we execute orders outside a regulated market or multilateral trading facility, within the meaning of the FCA rules. We will only carry out instructions in line with this policy. By giving us instructions, you agree that you will accept this order handling policy. If you ask us to carry out your instructions in a different manner, we may not be able to obtain the best possible result for you and so we do not accept such requests. You can ask us for further details of our policy.