Terms of Business

FOR INTERMEDIARIES

STELLAR

Contents

Section	Page
Application and scope	5
Commencement and termination of any previous agreement	5
Obligations of each party in relation to Stellar IHT Services	5
Obligations of each party in relation to MiFID II	6
Basis of service and relationship of the parties	6
Financial promotion	6
Documentation	7
Information	7
Anti-Money Laundering, Anti-Bribery and Corruption	7
Indemnity	7
The basis on which remuneration may be paid to you	8
Remuneration payable in relation to the Adviser Charging Rules	8
Complaints	9
Termination	10
Data Protection	10
Corporate powers, undertakings and acknowledgements	10
General	11
Annex I	12

Defined Terms

Any reference in these Terms to any statute, statutory provision, regulation or rule (including, without limitation, those references set out below) includes reference to any statutory modification, amendment, re-enactment or replacement that supersedes it and to any regulation or subordinate legislation made under it (or under such modification, amendment, re-enactment or replacement).

In these Terms when we refer to:

Act

We mean the Financial Services and Markets Act 2000;

Adviser Charges

We mean as such term is defined in the FCA Handbook;

Adviser Charging Rules

We mean the rules set out in Chapter 6 of COBS;

AML Rules

We mean the Proceeds of Crime Act 2002, the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, the Terrorism Act 2000, and any applicable anti-money laundering laws, regulations, rules or guidelines;

Applicable Laws and Regulatory Requirements

We mean all laws, rules, regulations, guidance, codes of conduct, codes of practice, practice requirements or accreditation terms, including any stipulated by any Competent Authority, whether or not having the force of law, which are apply to you in the course of your the performance of your obligations under these Terms, including, without limitation, the Act, the FCA Handbook, the DPA, GDPR, the Bribery Act and the AML Rules;

Appointed Representative

We mean an appointed representative as defined in section 39 of the Act;

Bribery Act

We mean the Bribery Act 2010 and any other applicable anti-bribery laws, regulations rules or guidelines;

Business Days

We mean any day that banks are open for business in London;

COBS

We mean the Conduct of Business Sourcebook in the FCA Handbook;

Competent Authority

We mean any national or local agency, whether in the UK or otherwise, authority, department, inspectorate, minister, ministry, official, parliament or public or statutory person (whether autonomous or not) of any government or professional body having jurisdiction over any of the activities contemplated by these Terms, including the FCA, the LSE and HMRC;

Customer

We mean a customer of the Intermediary;

DPA

We mean the Data Protection Act 2018;

Effective Date

We mean the date that the parties first transact business;

Financial Promotion Restriction

We mean the financial promotion restriction in section 21 of the Act;

Financial Promotions Rules

We mean the rules and requirements set out in the Financial Services and Markets 2000 (Financial Promotions) Order 2005, the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemptions) Order 2001 and Chapter 4 of COBS and any other Applicable Laws and Regulatory Requirements as are applicable to you in the context of any actual or intended marketing communication or financial promotion;

FCA

We mean the Financial Conduct Authority, which expression shall include any replacement or substitute and any regulatory body or person succeeding, in whole or in part, to the functions thereof or any other relevant supervisory body;

FCA Handbook

We mean the FCA's handbook of rules and guidance, as amended and replaced from time to time;

GDPR

We mean the UK version of the General Data Protection Regulation ((EU) 2016/679);

HMRC

We mean HM Revenue & Customs;

Intermediary; you; or your

We mean an individual, partnership or company who acts as an intermediary in relation to Stellar IHT Services and enters into these Terms;

Intermediary Customer Agreement

We mean the agreement between the Intermediary and the Customer under which the Intermediary provides services to the Customer;

Losses

We mean any losses, claims, demands, damages, fines, penalties, actions, costs, expenses or liabilities of any nature (including legal fees reasonably incurred);

LSE

We mean the London Stock Exchange plc;

MiFID II

We mean the UK version of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments The Markets in Financial Instruments Directive and the UK versions of all subordinate legislation enacted under it, including, without limitation, the UK version of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments;

Platform

We mean a third party wrap platform, such as Transact, where an Intermediary can appoint Stellar and provide Stellar IHT Services to its Customers;

Stellar; we; us; or our

We mean Stellar Asset Management Limited which is authorised and regulated by the FCA with firm reference number 474710 and is registered in England and Wales (registration number 06381679) with its registered office at 20 Chapel Street, Liverpool, L3 9AG;

Stellar Customer Agreement

We mean the service agreement(s) between Stellar and the Customer for the provision of Stellar IHT Services;

Stellar IHT Services

We mean discretionary management services (and associated services and activities) provided by Stellar;

Terms

We mean the terms and conditions set out in this agreement.

Terms of Business

1. Application and scope

1.1 You wish to add to the range of services provided to your Customers under the Intermediary Customer Agreement by introducing Customers to Stellar for the provision of Stellar IHT Services.

1.2 Customers introduced to us by you may become customers of Stellar and enter into a Stellar Customer Agreement. Where this is the case, you will continue to provide investment advice and other services to those Customers in accordance with the Intermediary Customer Agreement.

1.3 If you are an Appointed Representative or a principal of a network of Appointed Representatives, these Terms shall apply to you and where applicable each of your Appointed Representatives and you are responsible for ensuring that all of your employees, agents and, where applicable, your Appointed Representatives and your Appointed Representatives' employees and agents, are aware of and comply with these Terms.

1.4 These Terms constitute the terms on which the Intermediary will introduce Customers to Stellar for the provision of Stellar IHT Services and you acknowledge that you have read, understood and agree to these Terms.

2. Commencement and termination of any previous agreement

2.1 These Terms shall commence on the Effective Date and shall continue until terminated in accordance with clause 16.

2.2 These Terms supersede any terms of business previously provided by us to you and entered into between Stellar and the Intermediary and any amendments to such previous terms that may have been agreed from time to time.

3. Obligation of each party in relation to Stellar IHT Services

3.1 We will provide Stellar IHT Services directly to Customers in accordance with the Stellar Customer Agreement. Where you are the person who normally deals with us on behalf of the Customer, the Customer may agree that we may continue to deal with you in relation to the Stellar IHT Services provided to that Customer.

3.2 You acknowledge that Stellar does not provide investment services to you and accordingly you are not a customer of Stellar. Accordingly, we will not be required to provide you with any rights or obligations under Applicable Laws and Regulatory Requirements.

3.3 For the avoidance of doubt, we will provide the Stellar IHT Services directly to the Customer under the Stellar Customer Agreement and, therefore, you will not be considered as having delegated the management of investments to us.

3.4 You agree that Stellar will not provide investment or tax advice to you or any Customer, or advise on the suitability of investing in any of the Stellar IHT Services.

3.5 Except where otherwise provided by the Applicable Laws and Regulatory Requirements, you agree that our obligations when providing Stellar IHT Services in respect of assessing suitability are as stated in the FCA Handbook.

4. Obligations of each party in relation to MiFID II

4.1 Investments in Stellar can be held by customers directly or through a Platform. If held through a Platform, Stellar would not have direct access to the underlying Customer's details which will instead be held by you.

4.2 Customers with direct investment holdings; Under Applicable Laws and Regulatory Requirements, holders of discretionary model portfolios such as Stellar AiM IHT Service are provided with quarterly valuations. These will be published on our portal and be available to view by you and by the Customer.

4.3 Customers who indirectly hold investments via a Platform; it is a regulatory requirement that holders of discretionary model portfolios such as Stellar AIM IHT Service are provided with quarterly valuations. These will be published by the relevant Platform in line with their terms of business.

4.4 You agree to report this to your clients in accordance with your contact arrangements with them and in line with the requirements of MiFID II, which require that such reporting is carried out by the end of the relevant business day (or where this applies to a day that is not a business day, by the end of the next business day).

5. Basis of service and relationship of the parties

5.1 Without prejudice to your obligations under these Terms, you acknowledge that whilst respecting the nature of your relationship with Customers and without prejudice to your obligations under these Terms, we may communicate directly with Customers from time to time.

5.2 Your introduction of a Customer does not place us under any obligation to provide Stellar IHT Services to a Customer and we may decline to provide any such services or investment opportunities to any Customer (including terminating an on going relationship) at our sole discretion and without prior reference to you.

5.3 Nothing in these Terms shall create or be construed as creating any partnership, agency relationship, or joint venture between you and us (including between us and any of your respective employees, agents or Appointed Representatives (where applicable).

5.4 You acknowledge that you are not authorised to act on behalf of or to bind Stellar and, under no circumstances will you act or hold yourself out to any Customer as our agent.

6. Financial promotion

6.1 When we communicate with you in your own capacity we will treat you as an"investment professional", as defined under the Financial Promotions Rules.

6.2 In respect of any communication sent by us to you that is intended for "investment professionals" you undertake that you shall not, without our prior written consent, forward, copy, reproduce or duplicate in any way or in any media that communication to any investor or potential investor unless you:

6.2.1 identify yourself (and not us) as the issuer of that communication;

6.2.2 have ensured and are satisfied that you are able to rely on and have complied with one or more (as the case may be) of the exemptions set out in the Financial Promotions Rules, or are otherwise able to make the communication without breaching the Financial Promotion Restriction; and

6.2.3 where requested to do so, provide us with evidence that you have complied with the Financial Promotions Rules as soon as possible.

7. Documentation

7.1 You agree that it is your responsibility to ensure you have the latest versions of any marketing or other documentation produced by us relating to the Stellar IHT Services.

7.2 Subject at all times to your obligations in clauses 3 and 4 above, you agree to promptly pass to the Customer without amendment, any document supplied by us relating to the Stellar IHT Services for the Customer's information, benefit or completion, and promptly return to us all documents that have been completed by a Customer relating to the Stellar IHT Services.

8. Information

8.1 You agree that we may rely upon any information you provide to us and warrant that such information is accurate and complete unless you notify us otherwise.

8.2 You agree that you will not divulge to any third party any documents or materials of any kind containing confidential information relating to the business or affairs of Stellar.

9. Anti-Money Laundering, Anti-Bribery and Corruption

9.1 You agree that you are responsible for ensuring compliance with all relevant requirements of the Applicable Laws and Regulatory Requirements (including, for the avoidance of doubt, the AML Rules) as regards financial crime and the prevention of money laundering, in relation to those activities concerned with the provision of Stellar IHT Services to Customers and consent to your compliance with these requirements being relied upon by Stellar.

9.2 Where you are requested to provide us with any anti-money laundering certificates or copies of a document held by you for the purposes of complying with the obligations under clause 9.1, you agree that we shall be entitled to rely on any such documents provided by you to us for these purposes.

9.3 Each party undertakes to the other to:

9.3.1 comply with all Applicable Laws and Regulatory Requirements relating to antibribery and corruption (including, without limitation, the Bribery Act);

9.3.2 not engage in any activity, practice or conduct which could constitute an offence under the Bribery Act or any other Applicable Laws and Regulatory Requirements relating to anti-bribery and corruption;

9.3.3 have, maintain, review and enforce its own policies and procedures, including "adequate procedures" required by the Bribery Act, to ensure compliance with and prevention of offences under the Bribery Act and any other Applicable Laws and Regulatory Requirements relating to anti-bribery and corruption.

10. Indemnity

10.1 You agree to indemnify us and keep us indemnified against any Losses which we may suffer or incur arising from:

101.1 any failure by you to comply with the Applicable Laws and Regulatory Requirements;

10.1.2 failure by you to perform and maintain suitability assessments in respect of each Customer in accordance with COBS;

101.3 any breach of these Terms, negligence, fraud, wilful default or bad faith by you, your directors, agents or employees in the performance of your obligations under these Terms;

10.1.4 the provision of inaccurate or incomplete information by you to Stellar or any Customer relating to the Stellar IHT Services or failure to update such information previously supplied to Stellar or the Customer;

11. The basis on which remuneration may be paid to you

11.1 The payment of fees or any other form of remuneration or payment shall at all times be governed by these Terms and the Applicable Laws and Regulatory Requirements.

11.2 We shall notify you of additional specific provisions governing remuneration arrangements, including the amount of any such remuneration or payment to you and how it is calculated, in writing from time to time.

11.3 Without prejudice to clause 11.1, clause 12 sets out the basis on which we will pay remuneration or facilitate the payment of Adviser Charges to you from the Effective Date.

11.4 Stellar may, at its discretion cease to pay you fees or any other form of remuneration or payment due under these Terms if:

11.4.1 your authorisation or exemption under the Act is either suspended, cancelled, revoked or amended in such a way that you are not able to fulfil your obligations under these Terms;

11.4.2 you are subject to any investigation or enforcement action by the FCA (or any other relevant regulatory body) in relation to your obligations under these Terms;

11.4.3 you commit a material breach of these Terms or breach any Applicable Laws and Regulatory Requirements;

11.4.4 (if you are an individual) you die;

11.4.5 these Terms are terminated in accordance with clause 15;

11.4.6 the receipt of such payments by you would breach any Applicable Laws and Regulatory Requirements; or

11.4.7 the Customer withdraws their consent to such payments being made to you or no longer holds a Stellar IHT Service.

11.5 We reserve the right to reclaim (or withhold) payment from you:

11.5.1 if we have overpaid you or you have received payment in error;

11.5.2 if any Customer exercises any right of cancellation under the Applicable Laws and Regulatory Requirements;

11.5.3 in order to satisfy any outstanding amounts owed by you to us under these Terms;

11.5.4 to offset any settlement amount due.

12. Remuneration payable in relation to the Adviser Charging Rules

12.1 Subject to clause 12.2 and the Applicable Laws and Regulatory Requirements, if a Customer receives Stellar IHT Services and your involvement falls within the scope of the Adviser Charging Rules, any remuneration or payment that amounts to Adviser Charges will only be paid to you in accordance with the Adviser Charging Rules and in one of the following ways (depending on the nature of the service and/or product in question and at Stellar's discretion):

12.1.1 payment made directly by the Customer to you; or

12.1.2 Stellar facilitating the payment of the Adviser Charges to you on behalf of the Customer from one or more of the following sources:

a) the monies received by Stellar from a Customer for investment in a Stellar IHT Services;

b) selling, redeeming or otherwise disposing of all or part of a Customer's Stellar IHT Services; or

c) as otherwise permitted under the Applicable Laws and Regulatory Requirements from time to time.

12.2 You warrant and undertake that you shall:

12.2.1 disclose all information required by the Applicable Laws and Regulatory Requirements to the Customer as regards your Adviser Charges and the charges applicable to Stellar IHT Services;

12.2.2 gain the informed consent of the Customer in respect of your Adviser Charges;

12.2.3 immediately inform us if the Customer wishes to withdraw your services, cease to pay Adviser Charges or otherwise withdraw from the relevant Stellar IHT Services.

12.3 In relation to clause 12.1.2, Stellar will deduct Adviser Charges and pay them to you only on the availability of cleared funds and completed account opening documentation, including the Customer's consent to Adviser Charges. On request you shall provide us with such information as is reasonably required by us to confirm that the Customer has consented, and/or continues to consent to Adviser Charges.

12.4 Where there is insufficient money to pay any Adviser Charges in the circumstances outlined in clause 12.1.2, the Stellar IHT Services charges shall take precedence.

12.5 In any event, Stellar will cease to pay Adviser Charges to you if the amount provided to Stellar under any Stellar IHT Services reaches £0.

12.6 Stellar will pay initial commissions and any Adviser Charges that are due and payable to you in one single monthly payment free of charge each month provided the total due to you equals or exceeds £50.00. If the total amount due to you is below £50.00, Stellar will delay making the payment until the total owed to our increases to an amount that equals or exceeds £50.00. We will also provide you with an electronic statement giving a breakdown of any monthly payment.

12.7 You may ask us to make ad hoc payments, and to provide you with paper statements in relation to payments made to you, but we reserve the right to charge you for each payment and paper statement that we produce for you.

12.8 For the avoidance of doubt, we will not be liable to you in respect of any Adviser Charges owed to you by any Customer (including, without limitation, where a Customer asks us not to pay an Adviser Charge to you).

13. Complaints

13.1 We shall be responsible for resolving any Customer complaints which relate to the Stellar IHT Services, our promotional material and any administration or servicing activity for which we are responsible under or in connection with these Terms.

13.2 You shall be responsible for resolving any Customer complaints which relate to any services which you provide to Customers (including, without limitation, the provision of advice or related services under these Terms.

13.3 If a Customer makes a complaint to you of the type referred to in clause 13.1, you shall notify us immediately and shall provide the complainant with details of the person to whom the complainant should address the complaint, and shall inform the complainant of any relevant rights of redress including (if applicable) the right to refer the matter to the Financial Ombudsman Service.

14. Termination

14.1 These Terms may be terminated by either party on giving 30 days' prior written notice to the other party.

14.2 Termination shall not affect any existing obligation incurred by either party.

14.3 We reserve the right to terminate these Terms with immediate effect by notice in writing to you in the following circumstances:

14.3.1 if your authorisation or exemption under the Act is either suspended, cancelled, revoked or amended in such a way that you are not able to fulfil your obligations under these Terms;

14.3.2 you commit a material breach of these Terms and are unable to remedy that breach within 10 Business Days; (if a corporate entity) you go into liquidation or receivership or are subject to an administration order, enter into any arrangement with creditors, are unable to pay your debts, have your goods seized in execution or (if an individual) are declared bankrupt;

14.3.3 if you are subject to any regulatory investigation or have any enforcement action taken against you by the FCA or any other regulatory body or any other event happens which in the opinion of Stellar is likely to bring its reputation into disrepute or be detrimental to its business interests.

15. Data Protection

15.1 Both parties warrant they will:

15.1.1 comply with the requirements of the DPA and GDPR as appropriate; and

15.1.2 will hold and maintain all registrations and notifications as are required for the performance of its obligations under these Terms.

15.2 The Intermediary agrees that Stellar may share such information with any third parties with whom Stellar has a commercial relationship in relation to the Stellar IHT Services.

15.3 We may transfer data to other group companies and third party agents to comply with these Terms and for marketing of goods and services to other companies in its group. Transfers may be made outside the EEA where we are satisfied that appropriate controls are in place over the processing of such data.

15.4 Stellar reserves the right, and the Intermediary consents to Stellar disclosing where reasonably necessary, personal data relating to the Intermediary to credit reference agencies, fraud prevention agencies, the FCA, any other regulatory body or as required by any Applicable Laws and Regulatory Requirements.

16. Corporate powers, undertakings, and acknowledgements

16.1 You represent and warrant at the Effective Date to Stellar that:

16.1.1 you have the required authorisations, permissions or exemptions under the Applicable Laws and Regulatory Requirements to promote, distribute, market, provide investment advice (and related services) and introduction services to Customers in relation to the Stellar IHT Services;

16.1.2 you have full corporate power and have taken all necessary corporate action to enable you to effectively enter into and perform your obligations under these; and

16.1.3 these Terms, when validly executed by all parties, will create obligations which are valid and binding on you, and enforceable in accordance with their terms.

16.2 Stellar represents and warrants at the Effective Date to the Intermediary that:

16.2.1 we have the required authorisations, permissions or exemptions under the Applicable Laws and Regulatory Requirements to provide the Stellar IHT Services;

16.2.2 we have full corporate power and have taken all necessary corporate action to enable us effectively to enter into and perform our obligations under these Terms; and

16.2.3 these Terms, when validly executed by all parties, will create obligations which are valid and binding on us, and enforceable in accordance with their terms.

16.3 Both parties undertake to inform the other party immediately should they cease to have the required authorisations, permissions or exemptions under the Applicable Laws and Regulatory Requirements to perform their obligations under these Terms.

16.4 Both parties agree that throughout the term of these Terms they both shall carry out all services and activities contemplated by these Terms in accordance with all Applicable Laws and Regulatory Requirements

17. General

17.1 The parties agree that Stellar will not provide any non-monetary benefits to the Intermediary, except those that may be defined as 'reasonable non-money benefits' in chapter 2 of COBS, or are otherwise permitted under Applicable Laws and Regulatory Requirements and at Stellar's sole discretion.

17.2 We reserve the right to amend these Terms on one month's prior written notice to you, except where these Terms are required to be amended to comply with any change to the Applicable Laws and Regulatory Requirements, in which case such amendment shall take effect as soon as is practicable on written notice to you.

17.3 If any part of these Terms is found to be illegal, invalid, or unenforceable, such invalidity or unenforceability shall not affect the other provisions of these Terms which shall remain in full force and effect.

17.4 You may not delegate or transfer any of your rights or obligations under these Terms without our prior written consent.

17.5 Stellar may record and monitor telephone calls and emails and the Intermediary consents to this.

17.6 A party who is not a party to these Terms has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any provision of these Terms.

17.7 These Terms and any disputes arising out of or in connection with them are governed by and construed in accordance with English law, and the parties submit to the exclusive jurisdiction of the English Courts.

17.8 The failure of Stellar to exercise or delay in exercising a right or remedy provided by these Terms or by law does not constitute a waiver of the right or remedy of other rights or remedies. Schedule 1: Portfolio Management Policy.

Annex I

Application for registration with Stellar Asset Management Limited as an intermediary.

1. Organisation

What is the constitution of your business?		
Sole trader/ partnership/limited company/plc		
Please detail time in business	Years	Months
FCA registration number		
Name and address of your business		
Business Name*		
Address		
Post Code		
Telephone		
Email address		
Website address		
*Trading name if different		

1.1 If a limited company, please complete	
Company's registered name	
Registered office address	
Post Code	
Company Registration number	
Email address	
Website address	

1.2 If the business is a wholly owned subsidiary, please complete	
Holding company's registered name	
Holding company's registered office address	
Post Code	
Company Registration number	
Email address	
Website address	

2. Principals of the business

Please give details of all principals of the business ("controllers", directors, partners etc.)
Please continue on a separate sheet if necessary.

Name(s)	Date of Birth	Position

3. Main nature of your business

Which of the following best describes your business?

Financial Adviser	Solicitor	Accountant	Other*(Please specify below)
Is your business authorised by the FCA to hold and control Client Money?			

4. Consumer Credit

Do you have a current Consumer Credit Licence?	☐ Yes	☐ No
Please tell us the number on your licence		

5. Appointed Representatives

Are you an Appointed Representative or other category of Network member?	☐ Yes	☐ No
If Yes, which Network?		

6. Bank details

Name and address of the business bankers (full postal address of your branch as shown on your cheques) to which fees and commission (where applicable) are to be credited.

Details	
Name of bank	
Name of contact if known	
Address	
Post Code	
Name of account holder	
Account number	
Sort code	

Declaration

I/We* hereby apply to be registered with you as an intermediary and agree that we will subject to the Stellar Intermediary Agreement ("Agreement") which outlines the relationship between Stellar and its intermediaries. I/We confirm that all the information that I/We have provided herein is accurate and true.

I/We* confirm that I/any principals of the business/the business itself have never been convicted of a criminal offence involving fraud or dishonesty.

In signing this declaration, I/We* confirm that I am/We are* duly authorised to sign, and that I am/We are* authorised and permitted to sign for and on behalf of the Intermediary named herein. (*Delete as appropriate).

This form must be signed by an appropriately authorised signatory

Signature	Position	Date

Signature	Position	Date

Completion of this Application Form does not constitute acceptance by Stellar. If Stellar accepts the Application Form, this Agreement will come into force on the basis set out in the definition of "Effective Date" set out in the Agreement.

This Application Form should be returned to Stellar Intermediary Services in its entirety. You should retain a copy of the Agreement setting out the terms and conditions of Stellar's relationship with you.

Get in touch

We're here to help

Further Information

Our team are here to support and guide you during this process. Should you require any further assistance, or have any questions, please do not hesitate to get in touch.

If you have any other questions please contact us on 020 3195 3500 or email us at enquiries@stellar-am.com

For further information, please visit www.stellar-am.com

Important Information

Stellar Asset Management Limited does not offer investment or tax advice or make recommendations regarding investments. Prospective investors should ensure that they read the brochure and fully understand the risk factors before making any investment decision. The value of investments and the income from them may fall as well as rise and is not guaranteed. No assurance or guarantee is given that any targeted returns will be achieved. Forecasts of potential future results are not a reliable indicator of actual future results.

Stellar Asset Management Limited
20 Chapel Street,
Liverpool,
L3 9AG

Registered in England and Wales No. 06381679. Stellar Asset Management Limited is authorised and regulated by the Financial Conduct Authority.