

Important Information, Risk Warnings & Disclaimers

6.44 Important information and risk warnings must be prominently displayed in any advert, and relevant to the advert content (e.g. mortgage risk warnings in a mortgage advert). In this context, prominence means;

- Using clear and bold type on a neutral background
- In the same size font or larger than other features advertised
- Clearly stated within the main body of the advert, or contained within a distinct border to draw attention to them
- On a website, the risk warning should show on the 'landing page' when following a promotional link.
- On a website risks must be repeated on linked pages where appropriate
- On a website it is good practice to include risk warnings in a footer which remains fixed on the screen as the user scrolls up and down the page.
- On television adverts, the risk statements remain fixed on the screen throughout the duration of the advert.

You will no doubt be aware that we are currently implementing MIFID II and have made the decision to apply the legislation to the whole Network. A specific requirement which relates to Financial Promotions is:

- **Risk warnings:** Always providing a fair and prominent indication of relevant risks when referencing *any* benefits of a service or financial instrument – previously the requirement to provide an indication of risks was only required where potential benefits were emphasised;
- **Formatting:** Ensuring both the layout and font size of risk warnings give them equal prominence to the remainder of the communication;

The main emphasis here is on formatting and this needs to be considered with these adverts, you will therefore need to increase the size to equal the prominence of the main text. This applies to the Statutory Status Disclosure as well as the risk warnings.

Tax Treatment

The tax treatment is dependent on individual circumstances and may be subject to change in future.

Investments

The value of units can fall as well as rise, and you may not get back all of your original investment.

Standard mortgage risk warning

YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE

Equity Release risk warning

THIS IS A LIFETIME MORTGAGE TO UNDERSTAND THE FEATURES AND RISKS, ASK FOR A PERSONALISED ILLUSTRATION

Home Reversion Plan risk warning

THIS IS A HOME REVERSION PLAN TO UNDERSTAND THE FEATURES AND RISKS, ASK FOR A PERSONALISED ILLUSTRATION

Where debts are being included into a mortgage or other secured lending

THINK CAREFULLY BEFORE SECURING OTHER DEBTS AGAINST YOUR HOME. YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE OR ANY OTHER DEBT SECURED ON IT

Mortgages using another currency

CHANGES IN THE EXCHANGE RATE MAY INCREASE THE STERLING EQUIVALENT OF YOUR DEBT

Life cover (non-investment) and income protection risk warning

The plan will have no cash in value at any time, and will cease at the end of the term. If premiums are not maintained, then cover will lapse.

Impaired Credit where rates are given

THE OVERALL COST FOR COMPARISON IS X% APR

Additional risk warning for Critical illness plans

The policy may not cover all definitions of a critical illness. For definitions of illnesses covered please refer to the Key Features and Policy Documents.

Structured Products

If the plan fails to provide a return greater than the return of your capital, inflation may be a risk.

VCT and EIS

Your capital may be at risk.

The tax treatment is dependent on individual circumstances and may be subject to change in future. In addition, the availability of tax reliefs depends on the companies invested in maintaining their qualifying status. Please refer to the HM Revenue & Customs website for further guidance on the tax relief available on EIS/VCT investments.

This type of plan has a complex charging structure, and the underlying manager of your funds may differ from the provider mentioned / will be **xxxxx**.

Pensions

A pension is a long term investment. The fund value may fluctuate and can go down. Your eventual income may depend upon the size of the fund at retirement, future interest rates and tax legislation.

Deposit Based Account v's Unit Linked Fund

Where a comparison is made between a deposit based account and a unit linked fund the following should appear;

Non Regulated Business

Xxxxxxx (advice) is not / are not regulated by the Financial Conduct Authority

Types of non-regulated business (this list is not exhaustive and is subject to change):

Buy to Let Mortgages

Tax Planning

Inheritance Tax Planning

Will Writing

Trusts

Some forms of Commercial Lending

Auto Enrolment

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