



JLT PRIVATE WEALTH CLIENT ASSETS KEY INFORMATION DOCUMENT

2015







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Introduction

The Client Assets Key Information Document (“CAKID”), is intended to give you important information on how we are meeting our obligations under the Client Asset Regulations (SI No. 104 of 2015) (the “Regulations”) issued pursuant to Section 48 of the Central Bank (Supervision and Enforcement) Act 2013 in relation to the holding of client assets. If we make a material change to this document we will provide you with details of the change as soon as possible. We are required by the Central Bank of Ireland (“CBI”) to give you this document prior to you signing the Terms of Business or investment agreement with JLT. We would therefore urge you to read this document carefully and let us know if you have any queries prior to proceeding with any service we are providing you.

This document takes effect from 1st October 2015. In this document “we”, “us” and “our” means JLT Financial Services Limited trading as JLT Corporate Benefits and JLT Private Wealth (“JLT”).

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Background to the Regulations

New client asset Regulations were issued by the CBI in March 2015. These came into force on 1st October 2015 replacing existing client asset requirements which were issued in November 2007 under the MiFID Regulations¹ and the Investment Intermediaries Act 1995 (as amended, the IIA).

Client Assets consists of client funds and client financial instruments/investment instruments. Client funds include funds which are owed to or held on behalf of clients including cash, cheques or other payable orders.

¹ S.I. No. 60 of 2007 – European Communities (Markets in Financial Instruments) Regulations 2007.



Key Features of the 2015 Regulations are:

The Regulations are set out below following seven headings which the CBI regards as the seven core Client Asset Principles of a client asset regime.

1. Segregation

We physically hold, or arrange for the holding of, client assets separate from our own assets and maintain accounting segregation between our own assets and client assets. For the avoidance of doubt this principle applies to client assets that may be held by a nominee.

2. Designation and Registration

We ensure that client assets are clearly identified in our internal records and in the records of third parties. Client assets are identifiable and separate from our own assets.

3. Reconciliation

We keep accurate books and records to enable us at any time and without delay to provide an accurate record of client assets held by us for each client and the total held in the client asset account. We conduct a reconciliation between our internal records and those external records of any third party with whom client assets are held in line with CBI regulations.

4. Daily Calculation

Each working day we ensure that the aggregate balance on our client asset bank accounts as at the close of business on the previous working day is equal to the amount we hold on behalf of our clients.

5. Client Disclosure and Client Consent

We provide information to our clients in the Client Assets Key Information Document (“CAKID”), in a manner that informs our retail client on how and where their client assets are held and the resulting risks. This CAKID also informs our retail clients of the circumstances in which the Regulations do not apply.

6. Risk Management

We apply systems and controls that are appropriate to identify risks in relation to client assets and have in place mitigants to counteract these risks.

7. Client Asset Examination

We have engaged an external auditor to report at least on an annual basis on the safeguarding of client assets.

Client Asset Regime

JLT operates a client asset account for liquid euro client funds. These funds can be received through payment to JLT by cheque or payable order or through electronic funds transfer (EFT). Our client asset account is held with Ulster Bank Limited (the “Bank”). This account is designated as our Client Asset Account. JLT lodge payments made by cheque or payable order to this account will remain until they are cleared by our Bank. Transfers can also be received by JLT electronically or by same day value payments. JLT are obliged to advise you that that Client Asset Account is a pooled account. The Client Asset Account is reconciled on a daily basis. Once funds are transferred from our Client Asset Account to the client’s individual pension working bank account to which the client is a signatory, they are no longer covered under the Regulations

What constitutes “client assets” under the Regulations

Client assets are liquid euro funds which we receive and lodge to the JLT Client Asset Account. The Regulations apply to all of these funds save for circumstances where the assets are not deemed to be client assets.

Circumstances in which assets are not client assets

Cheques or other payable order made payable to a third party such as a product producer, investment firm or bank that we receive and are directly transmitted to that party are not client assets.

Funds that are due and payable to JLT such as the precise amount of fees or commission that has been agreed with you in writing.

Funds that are transferred directly into your individual pension working bank account and are not lodged to the JLT client asset account.

Funds that are non euro liquid funds.

A cheque or other payable order received from you that is not honoured by your bank.

Where client assets are paid or transferred to you whether directly or into an account with your bank or relevant party in your name.

Where client assets are paid, transferred to a third party on your written instructions and are no longer under our control. In acting in accordance with the terms of an investment management agreement or the completion of an order or application form will be considered to be a request from you to pay the client assets to the relevant third party.

Where JLT receives money for investment in an activity that is not a regulated financial service². Such assets will be held separately from client assets, will not be protected as client assets and will not be covered under the Investor Compensation Scheme.

² Investment that is not a client financial instrument or investment instrument



An explanation of the circumstances in which JLT will hold client assets itself, hold client assets with a third party and hold client assets in another jurisdiction

JLT holds euro client assets. These assets are held with Ulster Bank Limited. The euro Client Asset Account is a zero interest bearing current account. JLT holds these funds until they are cleared and does not hold any client asset on an ongoing basis or in any other jurisdiction for any clients. Ulster Bank Limited is regulated by the Central Bank of Ireland. In line with JLT Group treasury rules Ulster Bank Limited was chosen, taking into account the credit rating of the firm from recognised credit rating agencies and financial standing. Ulster Bank Limited is also JLT's bank but is independent of JLT.

Arrangements that apply to the holding of client assets, the risks associated with those arrangements, and controls in place to mitigate such risks.

JLT will hold client assets in a limited manner for a short period while funds clear. JLT confirms that the client assets regime does not relate to the value of a client's investment at any time. We are obliged to advise you that the client assets regime cannot fully eliminate all risks relating to client assets e.g. fraud and negligence. Until funds have cleared we adhere to the requirements of the CBI in ensuring they are clearly designated and all precautionary steps are taken to protect these funds on behalf of clients.

Further Information:

Details of the Client Asset Regulations can be found on the CBI's website at the following link:

<http://www.centralbank.ie/regulation/ClientAssetsandInvestorMoney/Pages/default.aspx>



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JLT Financial Services Limited trading as JLT Corporate Benefits and JLT Private Wealth is regulated by the Central Bank of Ireland

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