

June 2019



## For your protection

LGT Vestra (Jersey) Limited is authorised and regulated by the Jersey Financial Services Commission (JFSC). We have summarised below some specific aspects of our JFSC authorisation, and other important arrangements, which are designed for your protection.

### Key Features

Our details include the categories of activity we are permitted to engage in as part of our authorisation. Our JFSC reference number is IB0263 and you can access our registration details on the JFSC's website at [www.jerseyfsc.org](http://www.jerseyfsc.org)

### Client Assets

As a client, it is important that you have reassurance from LGT Vestra Jersey about the way in which we manage the physical security of your assets, where we hold them, or how we arrange for them to be held on your behalf.

We are required to adhere to the JFSC's Financial Services (Investment Business (Client Assets)) (Jersey) Order 2001, which states that your assets must be segregated from LGT Vestra Jersey's own assets. However, the single objective is to ensure that there is clarity, particularly in law, as to whom owns which assets.

Any investments which are capable of being registered and are purchased through or transferred to us, will wherever practicable and unless otherwise agreed be registered or otherwise recorded in the name of our nominee company or a nominee controlled by an JFSC recognised or designated investment exchange, or an eligible custodian selected by us in accordance with the rules set by the JFSC. Where your assets are registered in a nominee name, you will remain the beneficial owner.

These arrangements are especially important in the event of the insolvency of an investment firm, which holds clients' assets. Assets held in the name of the client will be accessible immediately. Where assets are held through a nominee company, they will be 'ring-fenced' and protected from the claims of general creditors of the firm and released once a client's legal entitlement [to the assets] has been established.

### Client Money

A similar principle applies where we hold money belonging to you. That money will be segregated from our own firm's money and held by us on your behalf in a designated client bank account. That designated client account will hold monies of other LGT Vestra Jersey clients in a pooled relationship, but clearly identifiable in our records.

The client bank account will be held with an approved bank or other financial institution meeting the criteria specified by the JFSC. It will include in its title a description to distinguish the money in the account from LGT Vestra's money. The bank must formally acknowledge that all money standing to the credit of the account is held by LGT Vestra as trustee.

In an insolvency situation, client money will be 'ring-fenced' and protected from the claims of general creditors of the firm. It will be released after clients' legal entitlements to the share of the pooled monies held on trust for them have been confirmed.

LGT Vestra's governance arrangements and underlying procedures are vital in protecting your assets.

## **Systems and Controls**

Our control philosophy is founded on ensuring the separation of duties between staff to avoid any potential conflicts of interest, having clear authority levels, a significant level of process automation, monitoring of activities and scrutiny of management reports.

Some examples of specific controls are:

- Specific designated controls to ensure that all payments made from an account require oversight and authorisation and will only be made to designated accounts identified and authorised by the client.
- Stringent controls are in place when changes are requested by clients to update their personal details
- Any non-standard instructions are subjected to enhanced verification controls.
- There will be regular automated reconciliations of stock and cash records to corresponding accounts. This will be performed by a team independent of cash and stock processing.
- LGT Vestra operates screening controls over the people it employs. This is particularly important where functions are performed which involve authorising and transferring money or investments.

## **Capital and Insurance**

LGT Vestra sets aside a significant amount of its own capital as a contingency for unforeseen events. We aim for this to be in excess of the minimum amounts specified by the JFSC. We also hold professional indemnity insurance in excess of the recommended amounts as specified by the JFSC in order to cover any potential losses which may arise through fraud or negligence. The policy includes cover for directors, officers and criminal activity and is underwritten by a Lloyd's of London syndicate. These levels are periodically reviewed in order to maintain sufficient cover to ensure they are in proportion to the size of the business.

## **Suitability and appropriateness**

Aside from the physical protection of your assets, another significant factor to consider is your exposure to investment risk. This is the risk associated with the value of your investments falling in value as well as rising, due to market behaviours that are specific to an underlying company or investment issuer.

Our brochures and website are designed to give you an overview of LGT Vestra Jersey and its services. We recommend that you take time with your investment manager to review your individual circumstances, requirements and risk preferences so that we can make a suitability assessment based on you needs.

Even for clients who choose a dealing-only service from LGT Vestra Jersey, there may be certain types of products or investments that we could not execute for you until we were satisfied that they are appropriate.

## **Treating our clients fairly**

The controls LGT Vestra Jersey has in place to protect you and your assets are an essential part of our commitment to treating our clients fairly. We want you to be confident that when you deal with LGT Vestra Jersey, this commitment is central to the way we do things in all areas. In practice, this means:

- Doing our best to understand the needs of our clients - current and prospective - when we design services and products.
- Providing you with clear information and keeping you informed.
- Advising you or managing your investments to suit your individual circumstances.
- Making sure we deliver what we have led you to expect.
- Ensuring you do not face unreasonable barriers in your dealings with LGT Vestra Jersey. We will ensure any request, query or concern is dealt with promptly and fairly.
- If you have any concerns, contact details for our Compliance Officer are available on our website.

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**Important information**

LGT Vestra (Jersey) Limited is regulated by the Jersey Financial Services Commission. Our registration details are set out in the JFSC Register: Firm Reference No: IB0263 [http://www.jerseyfsc.org/investment\\_business/regulated\\_entities/index.asp](http://www.jerseyfsc.org/investment_business/regulated_entities/index.asp). Registered in Jersey: 102243. Registered office: Charles Bisson House, 30-32 New Street, St. Helier, Jersey, JE2 3TE. This publication is marketing material. It is for information use only. The wording contained in this document is not to be construed as an offer, advice, invitation or solicitation to enter into any financial obligation, activity or promotion of any kind. You are recommended to seek advice concerning suitability from your investment advisor. Any information herein is given in good faith, but is subject to change without notice and may not be accurate and complete for your purposes. The document is not intended for distribution to, or use by, any individual or entities in any jurisdiction where such distribution would be contrary to the laws of that jurisdiction or subject LGT Vestra (Jersey) Limited to any registration requirements.