

Thursday 29 June 2006

Major 'back office' win for Scottish Friendly

A strategic decision to invest in sophisticated administration systems and high quality personnel has secured Glasgow-based mutual Scottish Friendly a lucrative 'back office' deal which could see up to £3 billion of private client investments transfer to a new UK financial services business, launched today (Wednesday 28 June).

Scottish Friendly will manage the logistics and technology support for the new venture - Nucleus Financial Group - which is set to transform the way that people plan and manage their finances.

Nucleus is a first for the financial services industry. Led by Edinburgh-based chief executive David Ferguson, and backed by seven UK-wide Independent Financial Advisor groups, Nucleus will offer a range of so-called 'wrap' services under one financial roof.

"We selected Scottish Friendly because they have a superb back office," said Mr Ferguson. "They alone in the UK have the capability to manage the sophisticated portfolio management tools and advanced financial planning software that Nucleus IFAs will employ on behalf of clients."

Fiona McBain, chief executive of Scottish Friendly, said: "This is a high profile and demanding venture which will transform the financial services sector in the UK and we are proud to be involved. The comprehensive re-engineering of our administration systems and processes means that we are able to aggressively compete with anyone in the industry when it comes to fast and accurate provision of financial services information."

Since becoming chief executive on 1 January this year, McBain has led a three-pronged strategy for Scottish Friendly based on new distribution deals, mergers and acquisitions, and business process outsourcing with third parties.

"Scottish Friendly has come a long way from the image of a traditional friendly society" added McBain. "Our selection as a key partner for Nucleus is a strong sign of confidence in our back office systems and personnel. We are looking forward to continuing to develop new deals in these areas in the coming months."

Scottish Friendly is working closely with Bravura Solutions (UK), a leading developer of wrap platform technology, on the Nucleus venture.

Steve William, UK country manager of the Australian-listed company, said: "This venture brings together our state-of-the-art technology, the market leading efficiency of Scottish Friendly and the extraordinary vision of the Nucleus management team."

NOTE TO EDITORS:

In April 2006 Scottish Friendly confirmed it had been selected by United Co-operative, one of the largest retail co-operatives in Europe as an exclusive provider of Child Trust Funds. The mutual also acquired two friendly societies this year – Rational Shelley and Preston Operative.

Scottish Friendly reported record funds under management of over £520 million at its AGM on 26 April 2006

MEDIA ENQUIRIES

Scottish Friendly

Clare Meikle or Cameron Grant

3x1 Public Relations

Tel: 0141 221 0707 or 07837 399 215 / 07771 960 326

Nucleus Financial Group

David Ferguson 07974 353 801

or

Andrew Appleyard

Media Relations Management 07909 684 468

Bravura UK

Steve Williams

Country Manager UK

Tel 0207 213 5288

Mob 07976 583 790