

SAUNDERSON HOUSE LIMITED – CLIENT AGREEMENT

1. Introduction/General

- 1.1 This agreement records the terms and conditions on which Saunderson House Limited will transact business and/or otherwise act for clients. Any instructions received from you will be deemed to constitute acceptance and agreement to be bound by these terms and conditions.
- 1.2 Those who advise on life assurance, pensions, or investment products are EITHER independent advisers OR represent one or more companies.
- 1.3 Saunderson House Limited is an independent financial adviser and will act on your behalf. Because we are independent we can advise you on the products of different companies.
- 1.4 We act as your agent in advising you and arranging investment transactions. All investments will be registered in your name unless otherwise agreed in writing.
- 1.5 We will forward documents of title to investments to you as soon as practicable after we receive them. Where a number of documents relating to a series of transactions are involved, we will normally hold the documents until the series is complete and then forward them to you.
- 1.6 We maintain professional indemnity insurance.
- 1.7 Our prior approval and agreement is required to the form and content of any publication or advertisement concerning a transaction with which we are or have been involved.
- 1.8 We are a wholly-owned subsidiary of IFG Group plc.

2. Regulation and Compensation Scheme

- 2.1 Saunderson House Limited is authorised and regulated by the Financial Services Authority (“FSA”) and is bound by the FSA’s rules.
- 2.2 Our authorisation category does not permit us to handle clients’ money. Our FSA registration number is 115235.
- 2.3 We will classify you as a Retail Client as defined in the FSA Conduct of Business rules.
- 2.4 We are covered by the Financial Services Compensation Scheme (“FSCS”). You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. Most types of investment business are covered for 100% of the first £30,000 and 90% of the next £20,000 so the maximum compensation is £48,000. Insurance advising and arranging is covered for 100% of the first £2,000 and 90% of the remainder of the claim without any upper limit. Further information is available from the FSCS.

3. Scope of Advice

- 3.1 We provide comprehensive financial planning advice and specialist advisory services for individuals. We are authorised by the FSA to provide advice on pensions, pension transfers and opt-outs, unit/investment trusts, quoted and unquoted securities as well as investment linked and non-investment linked insurance contracts for life, disability, critical illness, personal accident and private medical insurance.
- 3.2 We offer advice on products from the whole market.
- 3.3 We will advise and make recommendations for you after we have assessed your needs and current financial position. We will then help you to implement the agreed recommendations, as appropriate.
- 3.4 We will review annually, or more frequently if agreed, the investments made on our advice, normally from the anniversary of your first investment, by writing to you with a statement of their current value and our recommendations for any changes and/or meeting you to discuss their values and our recommendations. Ongoing reviews are provided only while payment of the fees for such services is made when due, as set out below.

4. Instructions and Communication

- 4.1 We require our clients to give us instructions in writing, in English, to avoid possible disputes. If the matter is urgent we will accept oral instructions provided they are confirmed in writing.
- 4.2 When communicating with you, the acceptable forms of communication will be letter, fax, email and telephone, in English.

5. Complaints

- 5.1 If you should have any complaint about the advice you receive or a product which you have bought, Saunderson House Limited operates an internal complaints procedure. Please write to The Compliance Oversight Officer at Saunderson House Limited, 1 Long Lane, London EC1A 9HF. Tel: 0207 315 6500. If, after we have reviewed your complaint, you remain dissatisfied, you have the right to refer your complaint to the Financial Ombudsman Service. Copies of our complaints procedure are available on request. If you make a valid claim against Saunderson House Limited in respect of the investments we arrange for you and we are unable to meet the liabilities in full, you may be entitled to redress from the FSCS; details of the cover provided are given in a leaflet which we will send you at your request.

6. Conflicts of Interest

- 6.1 We offer independent financial advice, but occasions can arise where we, or one of our other clients, will have some form of interest in business which we are transacting for you. If this happens, or we become aware that our interests or those of one of our clients conflict with your interests, we will inform you and obtain your written consent before we carry out your instructions. Further details of our Conflicts of Interest Policy are available upon request.

7. Charges

- 7.1 Our fees are based on time expended and transaction speeds, complexities and values. Our fee guidelines are £365-£525 per hour for directors, and £100-£365 per hour for other staff. Hourly rates are normally reviewed each 1 January. We will maintain a notional fee account for you which will record any on-account fees and commission received, net of any payments to third parties, as agreed, and this will be set off against our fees on an annual basis. Commissions under £30 per receipt may not be credited to notional fee accounts. Any deficit arising will be requested from you at least annually. Any credit will be carried forward. In deciding the amount of any fee to be invoiced, Saunderson House Limited will take account of commissions received by Saunderson House Limited. Invoices are payable when rendered and we reserve the right to charge interest at Barclays Bank base rate plus 3% on any overdue amounts. All fees are exclusive of VAT which will be charged as appropriate.
- 7.2 We will provide an estimate of how much in total we might charge. You may also ask us not to exceed a given amount without checking with you first.
- 7.3 We will tell you the amount of commission payable to us on a life policy or pension contract and on any other investment we have arranged for you.

- 7.4 Some commissions for regular premium policies are contingent on those policies being maintained in force for a period of up to 48 months and some single premium policies or investments for a period of up to six years. Where any such policies are not maintained in full force, part of the commission will be reclaimed by the payer and any such repayment will be a debit to the notional fee account.
- 7.5 If at any time commissions and/or fee payments received exceed the amount of our reasonable charges, you agree to transfer full ownership of the excess to us as collateral against payment of future professional fees properly incurred. Alternatively, we will repay the excess to you within 10 business days of a written request to do so.

8. Termination

- 8.1 Our authority to act on your behalf may be terminated by either party at any time without penalty. Notice of termination must be given in writing. We will agree with you how any transactions in progress are to be dealt with. Upon termination you will remain liable to us for any fees which had accrued and any which would accrue from any transactions taking place within the twelve months following termination with which we were involved during our appointment and for any costs or expenses incurred or committed by us for your account. Subject to any separate agreement between us, all reasonable out-of-pocket expenses which are incurred or committed by us during our appointment will be for your account.

9. Data Protection

- 9.1 We keep records of all our business transactions for seven years. You (or your agent) may inspect contract notes, vouchers and entries in books (whether kept manually or electronically). We treat all our clients' records as confidential, so we reserve the right to give you copies of your particular records rather than allowing access to files containing records about other clients. All personal information held about you will be held and processed in accordance with the Data Protection Act 1998. We act as data controller, as defined by the Act, but the information may be processed by a third-party administrator, other group company, the FSA or other regulatory/compliance bodies. We will hold the information primarily for the purpose of administering this agreement. We may use the information for the marketing of products and services to you from time to time but only with your consent. By giving instructions or by signing and returning a copy of these terms to us you will give your consent. You agree that you do not object to professional telephone calls from us.

10. E-mail

- 10.1 We may communicate with you by e-mail unless you instruct us not to do so. Documents sent to you by e-mail (whether or not containing confidential information) will not be encrypted unless you request us in writing to encrypt outgoing mail and we are able to agree with you and implement mutually acceptable encryption standards and protocols. It is your responsibility to protect your system from viruses and other harmful code or device, though we do try to eliminate them from e-mails and attachments. We may monitor or access any or all e-mails sent to us.

11. Law, Jurisdiction and Exclusions and Limitations on our Liability

- 11.1 This agreement is subject to English law and applies to work done or services performed anywhere in the world. However, we accept no responsibility or liability in respect of any possible claims or legal proceedings instituted:-
- (a) within the United States of America or Canada or any territories which come within the jurisdiction of the United States of America or Canada;
 - (b) to enforce a judgement obtained in any Court of the United States of America or Canada or any territories which come within the jurisdiction of the United States of America or Canada.
- 11.2 You will indemnify and hold us harmless against all claims, liabilities, losses, costs, charges and expenses which we may suffer or incur arising out of or in connection with transactions, matters or business in which we are or have been engaged, provided the same shall not have arisen from our negligence, wilful default or in any contravention of FSA Rules.
- 11.3 We accept no responsibility for the accuracy or completeness of any information provided to us by third parties about you or your policies/investments or other assets/liabilities which we have relied upon in good faith in advising you.
- 11.4 We are not liable for any loss incurred from any special, indirect or consequential damages arising out of the performance of this agreement.
- 11.5 These provisions apply to any agent, appointed representative, employee and officer of Saunderson House Limited as they apply to the company itself.
- 11.6 We accept no liability arising from internet failure.
- 11.7 We accept no liability arising from viruses and other harmful code or device which we send you by e-mail.
- 11.8 The Contracts (Rights of Third Parties) Act 1999 shall not apply to this agreement.
- 11.9 Subject to any separate agreement in writing between us, our responsibilities are expressly limited to the terms and conditions in this agreement.

12. Anti-Money Laundering Legislation

- 12.1 We may be required by applicable statutory and other legal requirements to disclose information to governmental or other regulatory authorities. In particular you should be aware that under UK anti-money laundering legislation we may be obliged to notify the Serious Organised Crime Agency if we know of or suspect or have reasonable grounds for suspecting that you, or another person, are using the proceeds of crime. You should also be aware that in those circumstances we may be precluded from seeking your consent or informing you that we have made a notification or disclosure.

Accepted and agreed (including Data Protection Act 1998 authorisation) by client(s):

For Saunderson House Limited:

Name(s) (in capitals) Name

Signature(s) Signature

Date(s) Date