

CLIENT AGREEMENT



INTRODUCTION

Our Terms of Business (also known as a “client agreement”) explain the main aspects of the way we operate, and how this affects you, the client. These Terms of Business will be effective from the date of receipt but may be amended by us following any initial interview intended to ascertain your current financial situation, objectives, and attitude to financial risk. Any such amended Terms of Business will be sent to you within 10 working days of that interview. However, irrespective of any amendments arising from such interviews, we reserve the right to amend the terms of this letter without your consent but we will give at least 10 business days notice before conducting relevant business, unless we consider it to be impracticable to do so under the circumstances at that time.

OUR STATUS

Hayburn Rock Associates Limited, St James Court, Bridgnorth Road, Wollaston, Stourbridge, West Midlands DY8 3QG is authorised and regulated by the Financial Services Authority. Our FSA number is 179804. Our permitted business includes advising on and arranging investments, home finance and general insurance transactions, including life and health insurances. You can check this on the FSA’s Register by visiting the FSA’s website www.fsa.gov.uk/register/ or by contacting the FSA on 0845 606 1234. Please be aware that business mortgages, buy-to-let mortgages and loans for timeshare purchase are not regulated home finance contracts.

OUR SERVICES

Our firm is independent and we offer products from the whole market. Our range of packaged products includes life policies, personal pensions, stakeholder pensions, unit trusts and open-ended collective investment schemes. When advising on investment, home finance and general insurance transactions, including life and health insurances, details of the services that we provide are set out in our **key facts** Initial Disclosure Document or Combined Initial Disclosure Document. This explains the products we are able to recommend, our status and charging methods.

CLIENT CATEGORISATION

Unless you receive confirmation in writing to the contrary, in all our dealings on investment matters you will be treated as a Retail Client. On insurance matters you will be treated as a Commercial Customer or a Consumer, depending on whether you are acting for business purposes or not.

OBJECTIVES

When making a specific investment, insurance or home finance recommendation, we will confirm your objectives and any restrictions on the types of product that you wish to buy, and explain in our “suitability report” why, having assessed your needs, we consider that our recommendations are suitable for your individual circumstances.

When arranging an insurance contract, including life and health insurances, we will confirm your demands and needs and any restrictions on the types of product you wish to buy in a “statement of demands and needs”.

FACT FIND INFORMATION

You are encouraged to provide as much information as possible about your financial situation, investment objectives, and knowledge and experience in the field of investments. Without such information we may not be able to provide advice, or the validity of our recommendations may be impeded by the lack of information. We are entitled to rely on the information provided by you unless we are aware that the information is manifestly out of date, inaccurate or incomplete.

Where you ask us to effect a transaction without receiving financial advice from us, it is important for you to understand that you are responsible for deciding whether the chosen policy meets your demands and needs. We may need to seek information from you to establish whether you have the necessary knowledge and experience to understand the risks involved in the particular transaction.

All investments carry a degree of financial risk which will tend to increase in proportion to the potential rate of return on the investments. Any product which is directly or indirectly invested in assets, which may fall in value (for example equities), may itself fall in value along with any decrease in the value of those assets. Before entering into any investment agreement, you must ensure that you understand the risk associated with the product and are content to accept that level of risk.

AUTHORITY TO ACT

Normally, we ask clients to give instructions in writing by completing the relevant application form and signing the appropriate declaration. However, where appropriate the use of e-mail and fax will be acceptable. If the matter is urgent, we will, however, accept oral instructions provided that they are later confirmed in writing. You will be informed of any taxes or costs that may exist other than our fees, the period for which any illustrations are valid, and of the minimum duration of the contract. Our authority to act on a client’s behalf in accordance with these Terms of Business can be terminated at any time by either side in writing, without prior notice and without penalty. This will be effective from the date the notification is received. However, if transactions already initiated remain outstanding, the notification will only be effected once these have been completed.

For the avoidance of doubt, please be aware that when you become a client of Hayburn Rock Associates Ltd, we do not accept any responsibility for advice previously given to you by other firms. Nor is it part of our brief to review the suitability of advice previously given to you, unless we have specifically agreed to do so.

HOW WE CHARGE YOU FOR OUR SERVICES

Not all firms charge for advice in the same way. We offer an initial discussion (without charge) when we will describe our services, discuss your payment options with you and answer any questions you have. We will not charge you anything until you have agreed how we are to be paid.

Our income comes from either commission from the product providers we write business with or fees paid to us by our customers. Whenever commission is available to us, you can choose whether to pay us by allowing us to keep the commission, or by paying us a fee instead. This is in line with standard industry practice. We will tell you how much the commission is before the transaction. If you choose to pay us by commission, we will keep the commission and not charge you a fee. If you choose to pay us a fee, we will charge either a flat-rate or an hourly-rate fee. We will agree this fee with you in writing before we carry out any work that we charge you for.

We may also receive some form of benefit if we introduce business to a product provider or another firm. We will tell you before the transaction if we are likely to receive some form of benefit from recommending any product to you, or from working with any product provider or firm.

CANCELLATION RIGHTS

You have a right to cancel most investment and insurance contracts, provided that you notify the provider of your wish to cancel the contract within 30 days (for most investment and protection contracts) or 14 days (for unit trusts and most general insurance contracts). Where you have a right to cancel your purchase, the product provider will give you notice of this in writing. For certain products where cancellation is not feasible, you will instead have an opportunity to withdraw from the contract before it is put into effect.

REVIEW

When we have arranged a contract for which you have given instructions we will not give you any further advice unless you request it, but we may contact you shortly before the contract expires to discuss its renewal, if appropriate. Alternatively, we will be glad to advise you, at any time you ask us to.

INVESTMENTS

As intermediaries we never own any products you buy or transact through us. All purchases will be registered in the name(s) of the client(s) unless otherwise agreed in writing. We will forward to you all documents showing ownership of your purchases as soon as it is practical after we receive them. Where a number of documents relating to a series of transactions are involved, we may retain each document until the series is completed and then forward them to you. In some cases the documentation will be sent to you direct from the product provider.

RECORDS

We will, if required by you or your agent, supply copies of contract notes, vouchers and copies of entries in books, records and computerised records relating to you. We undertake to maintain such records for a period of at least six years from the date of each transaction.

PERSONAL INTERESTS

We undertake not to transact business which we are prohibited from entering into, or which involves misuse of confidential information, or which conflicts with our obligations towards our customers. We will not transact for you any business in which our firm, a member of staff, or another customer has an interest, unless that interest has first been disclosed to you in writing and your consent has been obtained.

A copy of our "Personal Dealings and Conflicts of Interest" policy is available on request.

UK MONEY LAUNDERING REGULATIONS

We are obliged to conform to the UK Money Laundering Regulations and also adhere to the guidance notes from the Joint Money Laundering Steering Group. This process may require sight of certain documentation to verify the identity and place of residence of each client. We may also request that you inform us how any monies being invested were obtained/accumulated. If you provide false or inaccurate information and we suspect fraud or money laundering we will record this. We will not forward any applications or money to third parties/product providers until our verification requirements have been met. We take no responsibility for any delay where money laundering verification is outstanding. In circumstances where sufficient verification is not received in a timely manner after we have received completed applications, the application(s) and any monies may be returned to you.

DATA PROTECTION

For your protection, Hayburn Rock Associates Limited is registered under the Data Protection Act. Information provided by you may be held, processed, disclosed and used by ourselves, professional advisers and any associated companies in servicing our relationship with you. However, strict confidentiality will be maintained at all times. It is understood that, unless you notify us otherwise, you agree to the storage, use and disclosure of such information. This information may be disclosed to third party product providers in the course of providing our analysis and servicing of our relationship with you. No information will be passed to another party without your prior consent unless we are legally obliged to do so. You also agree that for the purposes described above your data may be transferred to countries outside the European Economic Area (EEA). We may use and analyse your data, including the nature of your transactions, to provide you with information by post, telephone fax or e-mail to service and update you, as well as informing you of new

opportunities. If you would prefer to be excluded from these services, please write to us at Hayburn Rock Associates Limited, St. James Court, Bridgnorth Road, Wollaston, Stourbridge, West Midlands. DY8 3QG.

TELEPHONE PREFERENCE SERVICE AND FAX PREFERENCE SERVICE

The Telephone Preference Service and Fax Preference Service Bills became law in May, 1999. As a result, if you do not wish our firm to be able to telephone or fax you, please tick this box.

We may also, from time to time, telephone you with a view to bringing certain services or products to your attention, which we feel you may benefit from. If you do not want to utilise this service, please tick this box.

TREATING CUSTOMERS FAIRLY

We are committed to supporting the "Treating Customers Fairly" initiative sponsored by the Financial Services Authority. We have reviewed the advice and information that we provide to our customers, and the standards of services that we offer. If you have any suggestions on how we might improve our treatment of customers, please let us know.

WHAT TO DO IF YOU HAVE A COMPLAINT

If you wish to register a complaint, please contact The Compliance Officer in writing at Hayburn Rock Associates Limited, St. James Court, Bridgnorth Road, Wollaston, Stourbridge, West Midlands. DY8 3QG or by telephone on 01384-868789. We will acknowledge receipt of the complaint and will send you a copy of our complaints handling procedure. The matter will be investigated in line with that procedure and our findings will be reported to you. If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service, subject to certain time limits, unless the complainant is a business, charity or trust with turnover/assets over £1 million.

CLIENT MONIES

We do not handle clients' money. We never accept a cheque made out to us (unless it is settlement of charges for which we have sent you a bill) nor handle cash.

All commission to be rebated to the client, in respect of any transaction arranged, is and will remain the property of this firm, until such time as, if previously agreed, all or part of that commission is refunded to the client. Interest on any such sums will not be payable unless agreed otherwise.

COMPENSATION AND PROFESSIONAL INDEMNITY

We are covered by the Financial Services Compensation Scheme. Unless you are a corporate client and the company is not a "small company" as defined in the Companies Act, you may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of transaction and the circumstances of the claim. Compulsory classes of insurance are covered for 100% of the claim, and most other types of insurance transactions are covered for 100% of the first £2,000 and 90% of the remainder of the claim, without any upper limit. Most types of investment and home finance transactions are covered for 100% of the first £30,000 and 90% of the next £20,000, so the maximum compensation is £48,000. Deposits are covered for 100% of the first £35,000. Further information about compensation arrangements is available from the Financial Services Compensation Scheme (Customer Services – 020 7892 7300).

In addition to the scheme we are also insured for negligence, by any member of staff.

LAW AND LANGUAGE

Where applicable, our dealings with you shall be governed by the law of England. All information, terms and conditions, and communications shall be in English.

I/We have read, understood and agree to the above Terms of Business.		Version 15 07/07/08
Signature		Date
Signature		Date
Adviser's Signature		Date