











## Terms of Business For UK regulated financial advisers (continued)

- 7.7 The Company will cease payment of CAR to You if You cease to be authorised by the FCA to carry on relevant investment business.
- 8. Adviser Fees**
- 8.1 In accordance with the Retail Distribution Review (RDR) you may only be remunerated in relation to personal recommendations You make to Your retail clients by way of an adviser fee agreed in writing and paid by Your Client.
- 8.2 Where the Plan Administrator is notified in writing by Your Client, the adviser fee agreed between You and Your Client can be deducted from funds received by the Manager in relation to the Client's Investment and paid to You. This includes any agreed execution fees in the case of an investment made without advice on an execution only basis.
- 8.3 It is entirely Your responsibility to agree with Your Client the amount of any fees due in relation to either advice given in relation to a personal recommendation or any other service You provide and, if appropriate, the amount due and method of payment should be detailed on the relevant Application Form.
- 8.4 Any adviser fee due on Business will be paid to You by James Brearley once the order is placed by the advisor and received by James Brearley, and will be paid in accordance with the Client's instruction to Your account as specified in this Agreement.
- 8.5 Should Your Client not proceed with an Investment and withdraw an Application Form, no adviser fee will be payable and any alternative arrangement to compensate You will be a matter solely between You and Your Client. Neither the Plan Administrator nor the Company can accept any liability or responsibility in relation to fees for advice in relation to an Investment which did not proceed.
- 9. Variation**
- The terms of this Agreement may be varied with the written agreement of both parties, but no variation shall affect Investments entered into prior to the date of variation.
- 10. Cross Selling**
- The Company and the Plan Administrator reserve the right to send communications directly to the Client, provided always that communication directly with the Client shall only be in respect of existing investment products including the provision of the option to re-invest on maturity of an existing investment provided by the Company and held by the Client.
- 11. Limitation of Liability and Indemnity**
- 11.1 You indemnify the Company in respect of all loss and expense that the Company may sustain or incur directly as a result of:
- any negligent statement made by You to a Client regarding the Investments or the services provided by the Company;
  - any act or omission which leads to any inaccuracy of information provided by You under this Agreement; except to the extent that any such loss or expense is caused by the negligence, wilful default or fraud of the Company.
- 11.2 Nothing in this Agreement shall exclude or limit the liability of either party for fraud, fraudulent misrepresentation, deceit, dishonesty, death or personal injury resulting from its negligence, or any other liability which cannot be excluded or limited by applicable law.
- 12. Data Protection and Confidentiality**
- 12.1 You consent to the Plan Administrator and the Company holding personal and financial information about You, Your directors and/or employees, on computer and manual systems. The information held may be used or disclosed by the Company or the Plan Administrator to other members employed by the Plan Administrator or the Company via electronic media or otherwise.
- 12.2 Personal data concerning Your Clients will be held, processed, used and transferred in accordance with the Terms & Conditions agreed to by such Clients. Clients may have the right to see certain information held. Such requests should be made in writing to the office of the Plan Administrator.
- 12.3 Each party undertakes to comply with the requirements of the Data Protection Act 1998 and all relevant guidelines and not to knowingly do anything or permit anything to be done to cause a breach of such provisions.
- 12.4 Each party undertakes to keep secure and confidential all information of a confidential nature relating to the business affairs or operations of the other party or the other party's associates, clients or business partners, being information disclosed to it in contemplation of or pursuant to this Agreement. However, nothing in this Clause applies to disclosure of information which the other party has consented to in writing, is required to be made pursuant to any applicable law or regulation or pursuant to any order or request of a court or regulatory entity with jurisdiction over such party, is already in the public domain (other than as a result of a breach of this Clause); or is made by a party to its legal advisers, auditors, accountants or other professional advisers on the condition that they are subject to similar restrictions on disclosure.
- 13. Termination**
- 13.1 Either party may terminate this Agreement by giving not less than 28 days written notice.
- 13.2 The Company may terminate this Agreement forthwith by written notice to You if You:
- are in material breach of your obligations, representations or warranties under this Agreement;
  - cease to be authorised to carry on relevant investment business;
  - are the subject of an investigation under the rules of the FCA;
  - die or are declared bankrupt, go into liquidation, make a voluntary arrangement with Your creditors or become the subject of an administration order or if an encumbrancer is appointed to take possession of Your property or assets.
- 14. Governing Law**
- This Agreement shall be governed by and construed in all respects in accordance with the Laws of England and each party submits to the non-exclusive jurisdiction of the English Courts.
- 15. Complaints Handling Procedure**
- You undertake to have in place an Appropriate Complaint Handling Procedure as required by the FCA and shall inform the Company and the Plan Administrator of any material complaints in relation to any Investment.
- 16. Recording of Telephone Calls**
- The Company and the Plan Administrator may record telephone calls. These records (if made) will be the sole property of respectively the Company or the Plan Administrator and will be evidence of the instructions given by You. Any recordings may be retained by the Company and/or the Plan Administrator.
- 17. US Investors**
- You acknowledge that no Client is a US person as defined in Regulation S of The United States Securities Act 1933.
- 18. No Agency/Partnership**
- You acknowledge that You are not the agent or representative of the Company or the Plan Administrator and undertake not to represent Yourself as such to any Client. Nothing in this Agreement should be construed as indicating or giving rise to a joint venture or partnership.
- 19. Rights of Third Parties**
- A person who is not party to this Agreement may not enforce any of its terms under the contracts (Rights of Third Parties) Act 1999.
- 20. Assignment and delegation**
- 20.1 This Agreement may not be assigned without the written consent of the non-assigning party and any purported assignment violating this provision will be void.
- 20.2 Neither party may delegate its duties under this Agreement without the prior written consent of the other party.

## Terms of Business For UK regulated financial advisers (continued)

### Risks associated with Structured Products

There are certain risk factors associated with structured products which clients should be aware of before making an investment into a structured product. The following are some of the most important factors which You should be aware of and which Your Client should be made aware of:

#### 1) Investment Risk

Investing in a Structured Product may put capital at risk. Therefore an investor, dependent upon the specific plan structure, could lose some or all of their investment if they invest in a structured product offered by IDAD.

#### 2) Counterparty Risk

It is possible that the Issuer of a plan could go bankrupt/become insolvent. Should this happen, an investor may lose all of their initial investment and any growth or income payments due. None of the Financial Services Compensation Scheme (FSCS), the Plan Administrator or the Company will pay compensation in the case of insolvency of the counterparty. (However, in the case of certain deposit based structures investors may be eligible to apply to the FSCS for compensation).

#### 3) Term Risk

An investor's circumstances could change forcing the early encashment of a plan investment. Such an early encashment will be subject to a fee and the amount repaid if the investment is cashed in before the plan's term may be less than the initial amount invested.

#### 4) Backtesting

It is likely that IDAD will provide you with backtesting results for a plan and an Adviser Guide showing the backtesting results. If backtesting has been discussed with you, you should be aware that past performance should not be relied upon as a guide to future performance and should not be used to assess the future returns or the risks associated with an investment.

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I/We have read, understood and agree to be bound by this Agreement.

I/We confirm that I/we the have understood the Risks associated with Structured Products set out above and that the answers I/we have provided to the Financial Adviser are true and correct.

I/We accept responsibility for 1) undertaking appropriate measures to comply with the Money Laundering Regulations, 2) recommending products which are either suitable or appropriate for my/our Clients and 3) disclosing to my/our client the risks associated with Structured Products.

I/We confirm that I/we will notify IDAD of any amendment to, or the cessation of, our authorisation or regulation by the FCA under the terms of the Financial Services & Markets Act 2000.

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I have attached authorised signature list with the form.

Note that the signatures below need to be in accordance with the mandate of your firm's authorised signatories.

Signature:  1st Signatory Name:

Position in Company:  Date:

Signature:  2nd Signatory Name:

Position in Company:  Date:

Please provide your company stamp below (if available):

For IDAD Limited Use Only

Name (Block Capitals):

Signed:

Date:

Agency Number:

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