

TERMS AND CONDITIONS OF BUSINESS

Important Reading:

For regulated business, please read in connection with the documents "Key Facts about our services" and the "Key Facts about the cost of our services" (The latter relates to investment business only) and any fee agreement that we issue.

Confirmation of receipt of these terms and other important documents:

We will ask you to sign to confirm that you have received important documents and are aware of how we will use your personal information. This will be in the form of a checklist.

Commencement of terms of business

These terms of business will commence on the date of their receipt

Regulation & Status

www.addingvalue4u.com Ltd of 3A Kirkgate, Thirsk YO7 1PQ is authorised and regulated by the Financial Services Authority (FSA). Our FSA Register number is 05672754. 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.

Financial Objectives (Demands & Needs)

Following the issue of these terms, any subsequent advice or recommendation offered to you will be based on your stated objectives (demands & needs), acceptable level of risk and any restrictions you wish to place on the transaction. Details of your stated objectives will be included in either the suitability letter or demands & needs statement, we will issue to you to explain and confirm the basis of our recommendation and point out any key disadvantages. There may be exceptions to this, for example, business transacted on a non-advised or execution only basis (directly on your instructions whereby you will not have requested nor received investment advice, or where pre-prepared questions are used to determine the product and provider) or on a restricted advice basis (the firm's recommendations were restricted by the fact that not all relevant information was made available). If these situations exist, we will make it clear to you in any subsequent correspondence; however you will appreciate that our responsibility to you will be limited accordingly.

Services / Investment Restrictions

Some of the services we provide are not currently regulated by the FSA and include, but are not limited to arranging and advising on certain types of mortgages and some offshore schemes and investments. If you want to restrict the type of investment or service covered by these terms of business, please let us know in writing as soon as possible, otherwise we shall assume that no restrictions apply.

Payment for Services

Please see our "Key Facts" documents which explains the options available.

Ceasing premiums

In certain circumstances, if regular premium payments are stopped in the early years, then this could result in us having to reimburse commission to the product provider concerned. We therefore reserve the right to recover from you any balance of commission which may be outstanding.

Registration of investment / retention of policy documents

Where we arrange an investment, we will register these in your name unless otherwise agreed in writing. All contract notes and documents of title in respect of your investment will be forwarded to you, unless otherwise instructed in writing, as soon as practicable after being received by us. Where a number of documents relating to a series of transactions are involved, we will normally retain the documents until the series is complete and then forward them to you.

Client Instruction

We prefer that any instructions be given in writing. If any advice, request for instruction or instructions are given orally, then they must be confirmed in writing, to avoid possible disputes. We may refuse at our discretion to accept certain instructions, although such discretion will not be exercised unreasonably.

Statement of Review

When we have arranged any transactions for which you have given instructions, we will not give you any further advice unless you request it but will be glad to advise you at any time you ask us to do so.

Conflict of interest & material interest

Occasions can arise where we, or one of our other clients, may have some form of interest in business, which we are transacting for you. If we become aware that our interests or those of one of our other clients conflict with your interests, we will inform you and obtain your consent before we carry out your instructions.

ID Verification

As part of our regulatory duties, we are obliged to verify as a minimum, the identity, and the place of residence, source of funds and source of wealth of each investor. This process may require sight of certain documentation. We are unable to forward any applications or money to third parties/product providers until our verification requirements have been met. We take no responsibility for any delay in investing where Identity 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 without being invested.

Regulated Mortgages – Our Process Explained

If we are advising you about mortgages, at commencement of the process we will issue you with this document and the Key Facts about our Services document. We will then complete a detailed fact-finding questionnaire to enable appropriate advice to be given to you about your mortgage and possible insurance requirements. Once we have established a suitable lender that meets your circumstances, we will provide you with a Key Facts Illustration (KFI), which details the product we have recommended and the costs involved in setting up your regulated mortgage contract. Once we have made our recommendations to you, we will confirm our advice in writing, in the form of a Suitability Letter. These recommendations will also include any implications of taking out a Mortgage. You should safeguard this Suitability Letter, as it will be an important record of our discussions. Details of the loan will also be confirmed in your lender's formal offer. These documents will enable you to make informed decisions and it is our aim to help you with this process.

All documents should be read and understood and we invite any questions or concerns you may have relating to the advice given.

Receiving payments from clients

www.addingvalue4u.com Ltd does **not** handle client monies. We never handle cash or accept a cheque made out to us unless it is a cheque in settlement of our charges or disbursements which we have previously disclosed to you (normally through a fee agreement). Crossed cheques for investments should only be made payable directly to the investment company and to the relevant third party for ancillary fees (for example mortgage lender, surveyor, and solicitor).

You should decline to give any money to, or write cheques payable personally to an individual adviser. Individuals that represent www.addingvalue4u.com Ltd are **not** to handle client money and any receipt by them personally of such a payment from you will **not** be regarded by us as being a transaction for which we will have any responsibility.

Risk Warnings

You are advised that because investments can fall as well as rise, you may not get back the full amount invested. Past performance is not a guide to future performance. Please also consider the following:

Overseas securities & investments:

- Our recommendations may on occasions involve transactions in securities that are not traded on a recognised investment exchange or regulated market. Your legal rights and consumer rights may be limited particularly if the market is overseas.

Currency fluctuations & exchange rates:

- If funds are received in a currency other than the investment currency, there will be an exchange rate conversion using rates applicable at that time. Please also bear in mind that currency fluctuations could have a negative effect on the value of your investment at any given time.

Non-readily realisable (illiquid) investments:

- Our recommendations may on occasions involve transactions in non-readily realisable (illiquid) investments. These are investments where the market is limited or could become so. They can be difficult to deal in and sometimes it is difficult to assess what would be proper market price for them. Examples would be property investment in a SIPP or SSAS.

Regulated Mortgage Contracts:

Our assessment of whether you can afford to enter into a regulated contract is based on your current circumstances and on current interest rates, both of which may change in the future. You need to be aware that such variables may affect your ability to meet the mortgage payments, which could result in your property being repossessed. Remember

- YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE.
- The actual rate available will depend upon your circumstances. To understand the features and risks, ask for a personalised illustration.
- Debt consolidation: think carefully before securing other debts against your home.
- Foreign currency mortgages: changes in the exchange rate may increase the sterling equivalent of your debt.

Complaints Procedure

The firm maintains an internal written complaints procedure, details of which are available on request. If you have a complaint (whether oral or written) about the firm or a service it has provided then this should first be directed to our complaints officer at the address above. We promise to deal with your complaint in a fair and objective manner. Our "Key Facts about our services" document has more information.

Introductions

There will be occasions when clients are introduced to us from third parties, for example accountants or solicitors. Under such circumstances, we may rebate part of the fee that we charge you back to the introducer, as payment for making the introduction. As part of the documentation that we will give you, we will tell you the total fees you will have to pay, although we will not tell you what proportion of those fees that may be rebated to introducers. This responsibility will be with the introducer (where introducer fees are payable). We may also receive an introduction fee from a lender where they have arranged insurances for you, we will not always be able to track these payments however we do not expect them to exceed £100.

Termination

Termination is without prejudice to any transactions already initiated, which will be completed according to these terms of business unless otherwise agreed in writing. You may terminate your instructions to us at any time. We reserve the right to require such termination to be in writing. We may terminate this agreement by giving you a minimum of fourteen days notice. No penalty shall be payable on any termination but we shall be entitled to remuneration for work undertaken prior to such termination. Any such termination shall be subject to completion of any transactions, which are in progress at that time.

Additional information requirements: Distance Communications

Where you are likely to do business with us at a distance i.e. we communicate exclusively by telephone, post, e mail or fax then we have attached addendum 1, it is very important that you read this.

Data Protection Act

In order to facilitate our communications with clients and our administration of their affairs, we will seek clients' consent to our recording clients' relevant personal information on our firm's computer system. We will supply to clients, at their request, a copy of the data relating to themselves and will provide them with a description of the data and the purposes for which it is processed, and with details of the source of the data and any potential recipients of the data.

Addendum 1

Additional information requirements: Distance Communications

- I. The firm will provide you with a service as detailed in our Terms of Business, "Key Facts" document(s) and where a fee is charged our Fee Agreement (Please read carefully)
- II. The total price that we charge for our services is set out in either our Key Facts about the cost of our services or Key facts about our services documents, please ask us if you unsure as to any

aspect of our pricing. There will be other charges and expenses imposed by the providers of insurance, mortgage and investment products which will be detailed separately.

- III. Please note there is the possibility that other taxes or costs may exist that are not paid through the firm or imposed by it.
- IV. There are no specific additional costs imposed by the firm for dealing exclusively at a distance.
- V. You should note that some of our recommendations may involve investments that can fluctuate in value for example depending on financial markets, these fluctuations will be outside of our control and you should therefore consider carefully before entering into this type of contract. Past performance is not a guide to future performance. Please take care to read the risk warnings issued in this document and any provider literature. If you are unsure then please ask us to explain more detail.
- VI. The firm does not place any specific limitations on the period for which the information provided remains valid. If you are unsure if something still remains valid then please ask and we will clarify.
- VII. Please see our fee agreement which sets out how we will charge for, and deliver our service.
- VIII. This contract will last for a period as set out in our fee agreement
- IX. The provisions of this Agreement and the relationship created by it shall be governed by English Law and subject to the exclusive jurisdiction of the English courts.
- X. This contract is supplied in English Language and will be communicated in English Language
- XI. Relating specifically to our agreement to provide a fee based financial advisory service there will be no right to cancel our fee following completion of our work. For the avoidance of doubt, any cancellation provisions that relate to a particular investment, mortgage or insurance product will not necessarily enable you to cancel the services anticipated in this document and the Fee Agreement unless this is expressly provided for in these documents. Also, you will still be liable to pay our fees for financial advice even if you cancel an investment or insurance product acquired pursuant to that advice.